

AGENDA

Commuter Rail Committee Meeting

January 18, 2007

12:00 p.m.

Location

SANBAG Office
Super Chief Conference Room
1170 West 3rd St., 2nd Fl.
San Bernardino, CA

Commuter Rail Committee Membership

Chair

Mayor Pro Tem Patricia Gilbreath
City of Redlands

Mayor Paul Eaton
City of Montclair

Vice Chair

Council Member Lee Ann Garcia
City of Grand Terrace

Mayor Patrick Morris
City of San Bernardino

Mayor Robert Christman
City of Loma Linda

Mayor Pro Tem Diane Williams
City of Rancho Cucamonga

San Bernardino Associated Governments (SANBAG) is a council of governments formed in 1973 by joint powers agreement of the cities and the County of San Bernardino. SANBAG is governed by a Board of Directors consisting of a mayor or designated council member from each of the twenty-four cities in San Bernardino County and the five members of the San Bernardino County Board of Supervisors.

In addition to SANBAG, the composition of the SANBAG Board of Directors also serves as the governing board for several separate legal entities listed below:

The San Bernardino County Transportation Commission, which is responsible for short and long range transportation planning within San Bernardino County, including coordination and approval of all public mass transit service, approval of all capital development projects for public transit and highway projects, and determination of staging and scheduling of construction relative to all transportation improvement projects in the Transportation Improvement Program.

The San Bernardino County Transportation Authority, which is responsible for administration of the voter-approved half-cent transportation transactions and use tax levied in the County of San Bernardino.

The Service Authority for Freeway Emergencies, which is responsible for the administration and operation of a motorist aid system of call boxes on State freeways and highways within San Bernardino County.

The Congestion Management Agency, which analyzes the performance level of the regional transportation system in a manner which ensures consideration of the impacts from new development and promotes air quality through implementation of strategies in the adopted air quality plans.

As a Subregional Planning Agency, SANBAG represents the San Bernardino County subregion and assists the Southern California Association of Governments in carrying out its functions as the metropolitan planning organization. SANBAG performs studies and develops consensus relative to regional growth forecasts, regional transportation plans, and mobile source components of the air quality plans.

Items which appear on the monthly Board of Directors agenda are subjects of one or more of the listed legal authorities. For ease of understanding and timeliness, the agenda items for all of these entities are consolidated on one agenda. Documents contained in the agenda package are clearly marked with the appropriate legal entity.

**San Bernardino Associated Governments
County Transportation Commission
County Transportation Authority
Service Authority for Freeway Emergencies
County Congestion Management Agency**

Commuter Rail Committee Meeting

**January 18, 2007
12:00 p.m.**

Location: SANBAG Office, 1170 West 3rd St., 2nd Fl., San Bernardino

LUNCH WILL BE PROVIDED
R.S.V.P. by Tuesday, January 16th to Daylene at (909) 884-8276

CALL TO ORDER

(Meeting Chaired by Mayor Pro Tem Patricia Gilbreath)

- I. Attendance
- II. Announcements
- III. Agenda Notices/Modifications - Daylene Burris

1. Possible Conflict of Interest Issues for the Commuter Rail Committee Meeting of January 18, 2007 Pg. 5

Note agenda item contractors, subcontractors and agents, which may require member abstentions due to conflict of interest and financial interests. Committee Member abstentions shall be stated under this item for recordation on the appropriate item.

Notes/Actions

Consent Calendar

2. Commuter Rail Committee Attendance Roster Pg. 6

A quorum shall consist of a majority of the membership of each Policy Committee, except that all County Representatives shall be counted as one for the purpose of establishing a quorum.

Discussion Items

3. Amendment No. 6 to Cooperative Agreement 91-065 with the City of Montclair Redevelopment Agency and the City of Montclair Pg. 8

Approve Amendment Mo. 6 to SANBAG Cooperative Agreement 91-065 with the City of Montclair Redevelopment Agency and the City of Montclair relating to the management responsibility of jointly owned property at the Montclair Transcenter and the reimbursement for the provision of security and the maintenance relating to the future pedestrian undercrossing at the Montclair Metrolink Station for the first two years in an amount not to exceed \$290,500, increasing the total contract authority to \$6,009,379.71 as identified in the Financial Impact Section.

4. Surplus of Miscellaneous Parcels Acquired as Part of the Redlands Subdivision Purchase of March 1993 Pg. 16

Direct staff to begin the process of disposal of miscellaneous parcels of Redlands subdivision in accordance with California Government code Sections 25363 and 25526.

5. Proposed Station at Highgrove on the Metrolink Inland Empire/Orange County Line Pg. 25

Decline participation in the development and operation of a Metrolink Station in the Highgrove area on the Metrolink Inland Empire/Orange County Line.

Discussion Items Continued....**6. Sale of Surplus Property located on the north side of the Baldwin Park Branch between Monte Vista Avenue and Huntington Drive in the City of Upland** Pg. 33

1. Find that approximately 1.2 acres of non-operating property on the north side of the Baldwin Park Branch between Monte Vista Avenue and Huntington Drive in the City of Upland is no longer required for SANBAG use (four-fifths vote required).

2. Approve Purchase and Sale Agreement (SANBAG Contract AR07179) for the sale of approximately 1.2 acres of non-operating property to the Upland Community Redevelopment Agency for the appraised value of \$89,000 as identified in the Financial Impact Section.

Public Comments**7. Additional Items from Committee Members****8. Brief Comments by the General Public****Additional Information****Acronym List**

Pg. 55

ADJOURNMENT

Complete packages of the SANBAG agenda are available for public review at the SANBAG offices. Staff reports for items may be made available upon request. For additional information call (909) 884-8276.

Meeting Procedures and Rules of Conduct

Meeting Procedures

The Ralph M. Brown Act is the state law which guarantees the public's right to attend and participate in meetings of local legislative bodies. These rules have been adopted by the Board of Directors in accordance with the Brown Act, Government Code 54950 et seq., and shall apply at all meetings of the Board of Directors and Policy Committees.

Accessibility

The SANBAG meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed in order to participate in the public meeting, requests should be made through the Clerk of the Board at least three (3) business days prior to the Board meeting. The Clerk's telephone number is (909) 884-8276 and office is located at 1170 W. 3rd Street, 2nd Floor, San Bernardino, CA.

Agendas – All agendas are posted at 1170 W. 3rd Street, 2nd Floor, San Bernardino at least 72 hours in advance of the meeting. Staff reports related to agenda items may be reviewed at the SANBAG offices located at 1170 W. 3rd Street, 2nd Floor, San Bernardino and our website: www.sanbag.ca.gov.

Agenda Actions – Items listed on both the "Consent Calendar" and "Items for Discussion" contain suggested actions. The Board of Directors will generally consider items in the order listed on the agenda. However, items may be considered in any order. New agenda items can be added and action taken by two-thirds vote of the Board of Directors.

Closed Session Agenda Items – Consideration of closed session items *excludes* members of the public. These items include issues related to personnel, pending litigation, labor negotiations and real estate negotiations. Prior to each closed session, the Chair will announce the subject matter of the closed session. If action is taken in closed session, the Chair may report the action to the public at the conclusion of the closed session.

Public Testimony on an Item – Members of the public are afforded an opportunity to speak on any listed item. Individuals wishing to address the Board of Directors or Policy Committee Members should complete a "Request to Speak" form, provided at the rear of the meeting room, and present it to the Clerk prior to the Board's consideration of the item. A "Request to Speak" form must be completed for *each* item an individual wishes to speak on. When recognized by the Chair, speakers should be prepared to step forward and announce their name and address for the record. In the interest of facilitating the business of the Board, speakers are limited to three (3) minutes on each item. Additionally, a twelve (12) minute limitation is established for the total amount of time any one individual may address the Board at any one meeting. The Chair or a majority of the Board may establish a different time limit as appropriate, and parties to agenda items shall not be subject to the time limitations.

The Consent Calendar is considered a single item, thus the three (3) minute rule applies. Consent Calendar items can be pulled at Board member request and will be brought up individually at the specified time in the agenda allowing further public comment on those items.

Agenda Times – The Board is concerned that discussion take place in a timely and efficient manner. Agendas may be prepared with estimated times for categorical areas and certain topics to be discussed. These times may vary according to the length of presentation and amount of resulting discussion on agenda items.

Public Comment – At the end of the agenda, an opportunity is also provided for members of the public to speak on any subject within the Board's authority. *Matters raised under "Public Comment" may not be acted upon at that meeting. "Public Testimony on any Item" still apply.*

Disruptive Conduct – If any meeting of the Board is willfully disrupted by a person or by a group of persons so as to render the orderly conduct of the meeting impossible, the Chair may recess the meeting or order the person, group or groups of person willfully disrupting the meeting to leave the meeting or to be removed from the meeting. Disruptive conduct includes addressing the Board without first being recognized, not addressing the subject before the Board, repetitiously addressing the same subject, failing to relinquish the podium when requested to do so, or otherwise preventing the Board from conducting its meeting in an orderly manner. *Please be aware that a NO SMOKING policy has been established for meetings. Your cooperation is appreciated!*

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 1

Date: January 18, 2007

Subject: Information Relative to Possible Conflict of Interest

Recommendation*: Note agenda items and contractors/subcontractors which may require member abstentions due to possible conflicts of interest.

Background: In accordance with California Government Code 84308, members of the Board of Directors may not participate in any action concerning a contract where they have received a campaign contribution of more than \$250 in the prior twelve months from an entity or individual. This agenda contains recommendations for action relative to the following contractors:

Item No.	Contract No.	Contractor/Agents	Subcontractors
		None	

Financial Impact: This item has no direct impact on the 2006/2007 Budget.

Reviewed By: This item is prepared monthly for review by the Board of Directors and policy committee members.

Responsible Staff: Michael Bair, Director of Transit and Rail Programs

Approved
Commuter Rail Committee

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

COMMUTER RAIL COMMITTEE ATTENDANCE ROSTER – 2007

Name	Jan.	March	May	July	Sept.	Nov.
Pat Gilbreath						
Lee Ann Garcia						
Robert Christman						
Paul Eaton						
Patrick Morris (Appointed May 2006)						
Diane Williams						

Commuter Rail Meetings are held on odd months

COMMUTER RAIL COMMITTEE ATTENDANCE ROSTER – 2006

Name	Jan.	March	April	July	Sept.	Oct.	Nov.
Pat Gilbreath	X	X	X	X	X	X	X
Lee Ann Garcia	X			X		X	X
Paul Biane	X						
Robert Christman	X	X	X	X		X	X
Paul Eaton	X	X	X	X	X	X	X
Patrick Morris (Appointed May 2006)						X	X
Alan Wapner (Appointed May 2006)					X		X
Diane Williams	X	X	X	X	X	X	X

Commuter Rail Meetings are held on odd months

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 3

Date: January 18, 2007

Subject: Amendment No. 6 to Cooperative Agreement 91-065 with the City of Montclair
Redevelopment Agency and the City of Montclair

Recommendation:* Approve Amendment No. 6 to SANBAG Cooperative Agreement 91-065 with the City of Montclair Redevelopment Agency and the City of Montclair relating to the management responsibility of jointly owned property at the Montclair Transcenter and the reimbursement for the provision of security and the maintenance relating to the future pedestrian undercrossing at the Montclair Metrolink Station for the first two years in an amount not to exceed \$290,500, increasing the total contract authority to \$6,009,379.71 as identified in the Financial Impact Section.

Background: In December 1991 the SANBAG Board, acting as the County Transportation Authority, approved Agreement 91-065 with the Redevelopment Agency of the City of Montclair. The agreement provided for the Redevelopment Agency to acquire property upon which the new Montclair Transcenter would be constructed. The agreement was amended in April 1993 to incorporate the liability insurance limit required with the construction of the childcare facility.

A second amendment was approved by the Authority Board in December 1995. That amendment added the City of Montclair as a third party to the agreement and assigned the responsibility of certain maintenance to the City with initial funding provided by SANBAG, included appropriate liability indemnification, contained a provision for the possible acquisition of 1.6 acre development site and additional

*

*Approved
Commuter Rail Committee*

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

property exchanged between Caltrans and SANBAG, and authorized the transfer of the Transcenter property to Caltrans.

A third amendment to the agreement was approved by the Authority Board in June 1999. The amendment clarified the roles of the Redevelopment Agency and SANBAG in the development of the 1.6 acre development site. It also provided that any income derived from future leases or other income producing agreements from the site be used to pay the reasonable costs of RDA's administration and to provide income for the City's provision of maintenance and security for the Transcenter. Any excess proceeds are to be shared equally between the Authority and City.

A fourth amendment was approved by the Authority Board in August 2002, that provided \$62,500 to augment the City's construction management expenses associated with the construction of a second platform at the Montclair Metrolink Station. The actual cost of the second platform design and construction was paid from Regional Improvement Program funds.

A fifth amendment was approved by the Authority Board in April 2003 that assigned the responsibility of maintaining the extension of the north platform, the southern platform and the landscape area adjacent to the new southern platform.

The purpose of the draft Amendment No. 6 was to clarify the determination of RDA's administrative cost and to provide funding for the maintenance of the future pedestrian undercrossing during the first two years of use. The amendment sets the RDA's administrative expenses at 2.5% of all gross lease revenue and requires a quarterly payment to the Authority any lease or other income producing agreement revenue in excess of that required for the City's expenses for maintenance and security of the Montclair Transcenter.

The draft Amendment No. 6 was presented and approved in concept by the Commuter Rail Committee on the 19th of October so that staff could continue to work with the City to resolve the few outstanding issues. The staff from SANBAG and the City met on November 16th and an agreement was reached on the most controversial issue -- the maintenance of the pedestrian undercrossing. Under the revised amendment the previous cap of \$100,000 for the City's maintenance of the pedestrian undercrossing over the two-year period has been removed.

In reviewing all previous agreement amendments it was also noted that the City had not been compensated for the provision of security at the Transcenter as had been done with all of the other station cities. Therefore the attached Amendment No. 6 includes a provision for the reimbursement of the City's security expenses for a two-year period commencing with the opening of the pedestrian undercrossing. The security payment to the City is estimated to be \$190,500.

The combined compensation to the City for its provision of security at the Transcenter and the maintenance of the pedestrian undercrossing totals \$290,500 over a two-year period. The agreement amendment provides that should either of the amounts be insufficient to cover actual expenses, the intent of SANBAG is to ensure the City will be reimbursed for its costs.

Financial Impact: This item is consistent with the adopted Agency budget. The financial commitment for the pedestrian undercrossing will be budgeted as part of the Agency's commuter rail operating expenses beginning in the next fiscal year.

Reviewed By: Amendment No. 6 has been reviewed and approved as to form by the legal counsels for SANBAG and the City. This item will be reviewed by the Commuter Rail Committee on January 18, 2007.

Responsible Staff: Michael Bair, Director of Transit and Rail Programs.

SANBAG Contract No. 91-065-6

by and between

San Bernardino Associated Governments

and

City of Montclair and City of Montclair Redevelopment Agency

for

clarifying the management responsibility of jointly owned property at the Montclair Transcenter; the assignment to the City of maintenance responsibility for the pedestrian undercrossing at the Montclair Metrolink Station; and the reimbursement of maintenance expenses for the first two years relating to the pedestrian undercrossing at the Montclair Metrolink Station

FOR ACCOUNTING PURPOSES ONLY				
<input checked="" type="checkbox"/> Payable <input type="checkbox"/> Receivable	Vendor Contract # _____ Vendor ID _____	Retention: <input type="checkbox"/> Yes _____ % <input checked="" type="checkbox"/> No	<input type="checkbox"/> Original <input checked="" type="checkbox"/> Amendment	
Original Contract:	\$ <u>5,600,000</u>	Previous Amendments Total:	\$ <u>118,879.71</u>	
		Previous Amendments Contingency Total:	\$ <u>0</u>	
Contingency Amount:	\$ <u>0</u>	Current Amendment:	\$ <u>290,500</u>	
		Current Amendment Contingency:	\$ <u>0</u>	
Contingency Amount requires specific authorization by Task Manager prior to release.				
Contract TOTAL →			\$ 6,009,379.71	
Task	Cost Code	Funding Sources	Grant ID	Amounts
<u>37708000</u>	<u>5011</u>	<u>LTF - Rail</u>	_____	\$ 145,250
<u>37709000</u>	<u>5011</u>	<u>LTF - Rail</u>	_____	\$ 145,250
Original Board Approved Contract Date: <u>12/4/91</u>		Contract Start: <u>12/4/91</u>	Contract End: <u>Open</u>	
New Amend. Approval (Board) Date: _____		Amend. Start: _____	Amend. End: <u>Open</u>	
If this is a multi-year contract/amendment, please allocate budget authority among approved budget authority and future fiscal year(s)-unbudgeted obligations:				
Approved Budget Authority →	Fiscal Year: _____ \$ _____	Future Fiscal Year(s) – Unbudgeted Obligation →	\$ <u>290,500.00</u>	
Is this consistent with the adopted budget? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
If yes, which Task includes budget authority? _____				
If no, has the budget amendment been submitted? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No – Funds will be included in FY 2008 & 2009 Budgets				
CONTRACT MANAGEMENT				
Please mark an "X" next to all that apply:				
<input checked="" type="checkbox"/> Intergovernmental	<input type="checkbox"/> Private	<input type="checkbox"/> Non-Local	<input checked="" type="checkbox"/> Local	<input type="checkbox"/> Partly Local
Disadvantaged Business Enterprise: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes _____ %				
Task Manager: Michael Bair			Contract Manager: Michael Bair	

Task Manager Signature

Date

Contract Manager Signature

Date

Chief Financial Officer Signature

Date

**AMENDMENT NUMBER 6 TO
COOPERATIVE AGREEMENT 91-065
BETWEEN THE
SAN BERNARDINO ASSOCIATED GOVERNMENTS,
THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY
AND
THE CITY OF MONTCLAIR**

THIS AMENDMENT NUMBER 6 to Cooperative Agreement 91-065 is hereby made and entered into and effective this _____ day of February, 2007, by and between the SAN BERNARDINO ASSOCIATED GOVERNMENTS (hereinafter referred to as "SANBAG"), the CITY OF MONTCLAIR REDEVELOPMENT AGENCY (hereinafter referred to as "RDA") and the CITY OF MONTCLAIR (hereinafter referred to as "CITY"), with regard to the management of jointly owned property at the Montclair Transit Center and the reimbursement of maintenance expenses for the first two years relating to the future pedestrian undercrossing at the Montclair Metrolink Station.

WHEREAS, under SANBAG Contact No. 91-065, dated December 16, 1991, SANBAG and RDA entered into an agreement (the "Cooperative Agreement"), pursuant to which the parties agreed to purchase and develop a transit center (the "Transit Center") upon that certain parcel of real property of approximately 22.147 acres located within the City of Montclair; and,

WHEREAS, SANBAG & RDA amended the Cooperative Agreement, by the first amendment of the Cooperative Agreement (SANBAG Contract No. 93-17) on April 7, 1993, to add Paragraph 4.07, Establishment of Day Care Facility on Transit Center Site, to the Cooperative Agreement; and,

WHEREAS, SANBAG & RDA amended the Cooperative Agreement by the second amendment to the Cooperative Agreement (CITY Agreement No. 95-66) on December 6, 1995, to add the CITY as a party to the Cooperative Agreement, to transfer certain property to the State of California pursuant to Paragraph 4.05, Exchange for State Properties, of the Cooperative Agreement, and to add new Section XIII, Maintenance and Reimbursement for Maintenance Costs, new Section XIV, Indemnification, and new Sections XV, XVI and XVII to the Cooperative Agreement; and,

WHEREAS, SANBAG, CITY and RDA amended the Cooperative Agreement by a third amendment to the Cooperative Agreement (CITY Agreement 95-066) on June 2, 1999 to allow the RDA to be the lead agency in negotiating and administering agreements and leases for the development of the plus or minus 1.61 acre site within the Transit Center retained by SANBAG and RDA for development and establishes the rights of the parties in approving development of the site and the execution of leases; and

WHEREAS, SANBAG, CITY and RDA amended the Cooperative Agreement by a fourth amendment on August 7, 2002, allowing the CITY to be reimbursed by SANBAG for construction management services associated with the construction of a second platform in an amount not to exceed \$62,500; and

WHEREAS, SANBAG, CITY and RDA amended the Cooperative Agreement by a fifth amendment on April 2, 2003, to assign to the City the maintenance responsibility of the northern platform extension, southern platform and landscape area.

WHEREAS, SANBAG, CITY and RDA also (hereinafter sometimes collectively referred to as the "Parties" and individually referred to as a "Party") desire to further amend the aforesaid Cooperative Agreement to clarify the management responsibility of jointly owned property, the reimbursement of the provision of security for a two-year period at the Montclair Transit Center, and the reimbursement of maintenance expenses for the first two years relating to the future pedestrian undercrossing at the Montclair Metrolink Station.

NOW THEREFORE, the Parties hereto do mutually agree to amend the Cooperative Agreement (SANBAG Contract No. 91-065 and CITY Agreement 95-066) as follows:

1. REPLACE the last two sentences of Paragraph 4.06 Development of the 1.61 Acre Site with the following:

Lastly, notwithstanding anything to the contrary elsewhere in this Agreement, RDA may retain 2.5% of all gross lease and other income producing agreement revenue from the site to pay the reasonable costs of RDA's lease administration. RDA shall also retain that portion of gross lease and other income producing agreement revenue necessary for the CITY's provision of security and maintenance for the Transit Center as identified in Article XIII of this Agreement and any improvements thereon. Any income in excess of that needed for lease administration costs, Transit Center maintenance and security costs shall be equally divided between the RDA and SANBAG. The RDA shall provide SANBAG a semi-annual reconciliation of gross lease and other income producing agreement revenue, RDA lease administration and CITY's Transit Center maintenance, security, and improvement expenses.

2. Amend Article XIII to read: **Maintenance and Security Cost Reimbursement** and add Paragraph 13.06 as follows:

13.06. CITY shall provide security at the Transit Center beginning fifteen (15) minutes before the first daily train arrival and end thirty (30) minutes after the last daily train departure. Part of the provision of security will include insuring that security gates constructed as part of the pedestrian undercrossing are unlocked and open prior to the first daily train arrival and closed and locked after the last daily train departure. SANBAG shall reimburse CITY for security expenses, estimated not to exceed \$190,500, incurred beginning on the date of the opening of the pedestrian undercrossing for use by the public (Opening Date) and ending two years later. Should the City's security expenses exceed the reimbursement estimate during the two-year period, SANBAG shall prepare an amendment to this Agreement, increasing the City's reimbursement to an amount that will insure the intent that SANBAG cover the two years of City's security expenses. City shall invoice SANBAG not more frequently than quarterly for security expenses incurred. Each invoice shall be accompanied with copies of the security vendor invoices for the quarter as well as documentation of CITY's payment of vendor invoices. SANBAG shall remit payment to CITY within thirty (30) days of invoice receipt. Security expenses beyond the two-year period shall be the responsibility of the CITY.

ADD the following as a new **Article XIX, Pedestrian Undercrossing Maintenance**

Upon the opening for use by the public (Opening Date) of the future pedestrian undercrossing, SANBAG shall reimburse CITY for its expenses associated with the maintenance of the undercrossing as identified in Exhibit A to this amendment. Such reimbursement, estimated not to exceed \$100,000, shall remain in effect for two years from the Opening Date. Should the City's maintenance for the pedestrian undercrossing expenses exceed the reimbursement estimate during the two-year period, SANBAG shall prepare an amendment to this Agreement, increasing the City's reimbursement to an amount that will insure the intent that SANBAG cover the first two years of City's maintenance expenses. CITY shall invoice SANBAG not more frequently than quarterly for undercrossing maintenance expenses incurred. Each invoice shall be accompanied with a description of the work performed, including any repairs, hours of work performed and cost of materials. SANBAG shall remit payment to CITY within thirty (30) days of invoice receipt. Expenses for the maintenance of the pedestrian undercrossing beyond the initial two-year period shall be the responsibility of the CITY.

Except as amended by this Agreement, all other provisions of the Cooperative Agreement (SANBAG Contract No. 91-065), as previously amended, and the four-party Maintenance Cooperative Agreement (SANBAG Contract No. 95-069) shall remain in full force and effect.

IN WITNESS WHEREOF, the authorized parties have signed:

**SAN BERNARDINO ASSOCIATED
GOVERNMENTS**

By: _____
Dennis Hansberger
President

Date: _____

Approved as to Form:

By: _____
Jean-Rene Basle
SANBAG Counsel

Date: _____

Approved as to Form:

By: _____
Diane E. Robbins
City Attorney

CITY OF MONTCLAIR

By: _____
Paul M. Eaton
Mayor

Date: _____

**CITY OF MONTCLAIR
REDEVELOPMENT AGENCY**

By: _____
Paul M. Eaton
Chairman

Date: _____

ATTEST:

By: _____
Donna M. Jackson
City Clerk

EXHIBIT A
to
COOPERATIVE AGREEMENT 91-065-6

SCHEDULE OF MAINTENANCE FOR PEDESTRAIN UNDERCROSSING AT THE
MONTCLAIR METROLINK STATION *(To be completed by City)*

Maintenance Activities:

Weekly sweeping of Undercrossing, Stairs and Ramps

Semiweekly trash pickup from Undercrossing

Bimonthly washing of Undercrossing, Stairs and Ramps

Weekly graffiti removal from Undercrossing, Stairs and Ramp surfaces

Replacement of Undercrossing, Stairs and Ramp lighting

Painting of Undercrossing, Stairs and Ramp surfaces

Maintenance and Repairs of Close Circuit Camera System

Maintenance of Landscape Areas located within the “operating property”

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 4

Date: January 18, 2007

Subject: Surplus of Miscellaneous Parcels Acquired as Part of the Redlands Subdivision Purchase of March 1993

Recommendation:* Direct staff to begin the process of disposal of miscellaneous parcels of Redlands Subdivision in accordance with California Government Code Sections 25363 and 25526.

Background: In March 1993 the San Bernardino Associated Governments (SANBAG) purchased from Burlington Northern Santa Fe Railway (formerly Atchison, Topeka and Santa Fe Railway) the Redlands Subdivision that begins in front of the San Bernardino Santa Fe Depot and runs through the City of Redlands terminating in the vicinity of the southern boundary of the Santa Ana River in the vicinity of Nice Avenue in Mentone. SANBAG sold to the Metropolitan Water District that portion of the Redlands Subdivision from the Santa Ana River to Nice Avenue in Mentone in 1999.

As part of the Redlands purchase, SANBAG also acquired a smattering of non-contiguous parcels in the north/northeast area of the City of San Bernardino and northwest area of the City of Highland. In 1999 SANBAG also sold one of the parcels to the Victoria Development Company. Attached are the Assessor's Parcel Maps of each property being considered for disposal.

*

*Approved
Commuter Rail Committee*

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

There will be a number of items that will need to be accomplished prior to our returning to this Committee and the Board before ordering the sale of these parcels; namely, a Preliminary Title Report to insure there are no clouds on the title and appraisals on the various parcels.

Staff will enlist the assistance of both our Property Management team at the Los Angeles County Metropolitan Transportation Authority (MTA) and San Bernardino County Real Estate Services.

Typically, proceeds from sale of any rail property is retained in the Rail Capital Assets fund and used to augment funds for capital projects identified in the Commuter Rail Short Range Transit Plan.

Financial Impact: The full financial impact of this item is not known at this time pending appraisals of the properties; however the work element of this item is consistent with the adopted General Commuter Rail Task 35207000.

Reviewed By: This item is scheduled for review by the Commuter Rail Committee on January 18, 2007.

Responsible Staff: Victoria Baker, Senior Transit Analyst

Assessor's Map 16
Book 155 Page 16
San Bernardino County

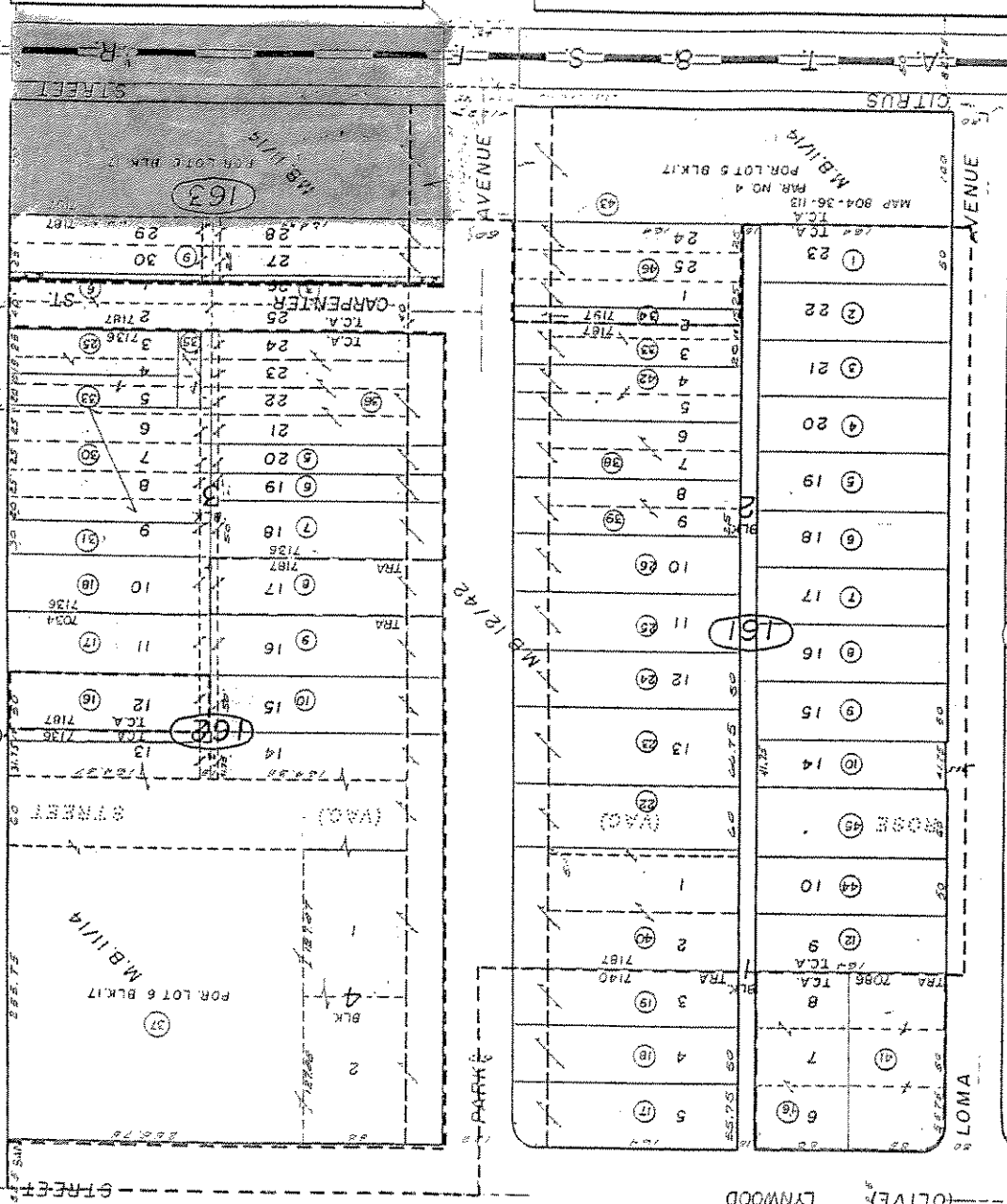
Note - Assessor's Blk. & Lot
Numbers Shown in Circles

Feb. 1952

18

10X FILE AFD
7034,7086,7136,7140,
7187,7197

Del Rosa Townsite, M.B. 12/42

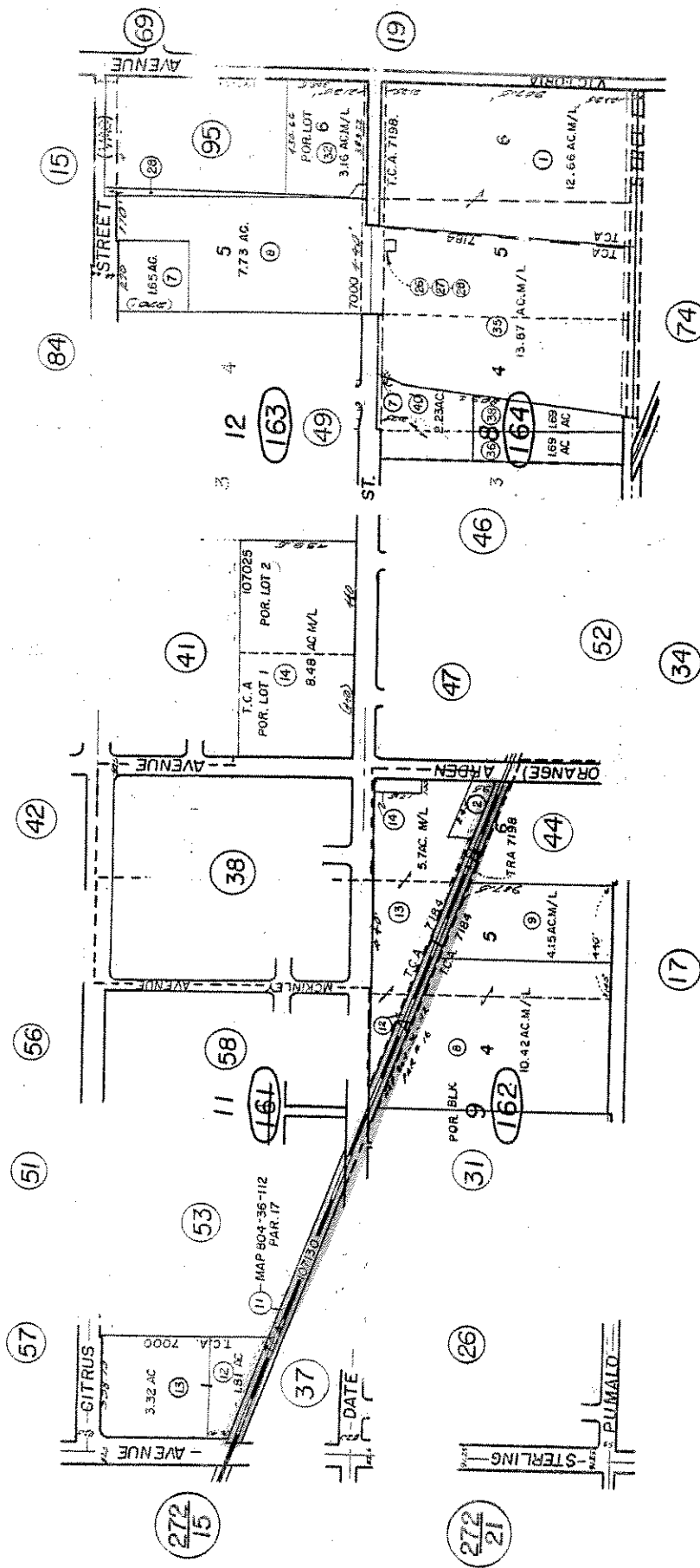




Por. West Highlands
M.B.5/77

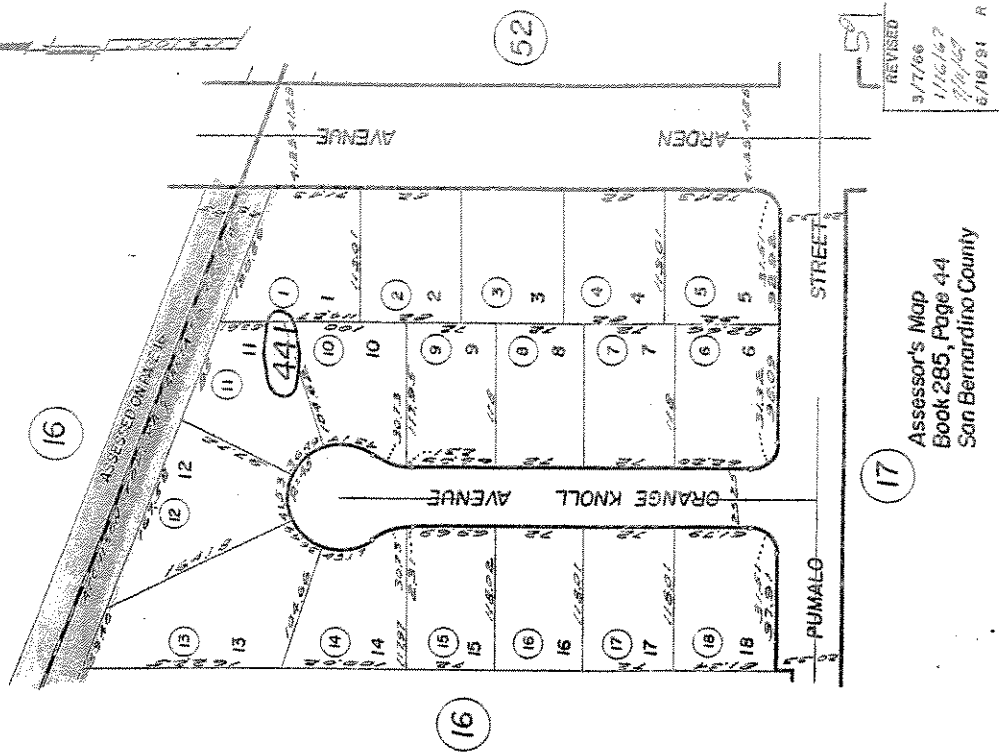
San Bernardino City
San Bernardino Unified
Tax Rate Area
7000.7184.7198
107025.107130

285-16



Assessor's Map
Book 285 Page 16
San Bernardino County

REVISED
6-11-85
6/18/91



Apr. 1962

Assessor's Map
Book 285, Page 44
San Bernardino County



Tract No. 6982, M.B. 88/89, 90

Oct. 1963 *JS*

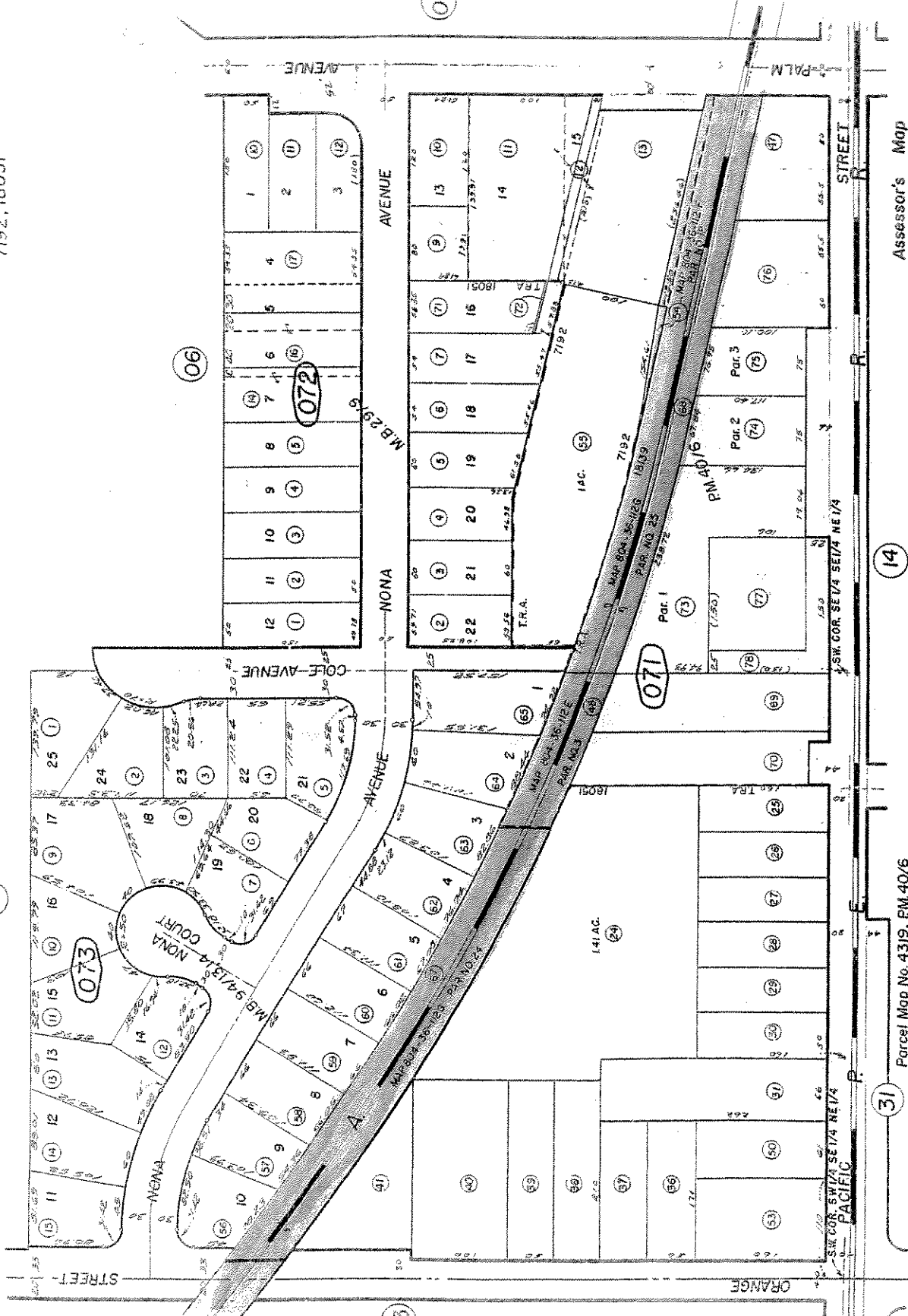
THIS MAP IS FOR THE PURPOSE
OF 40 VALUATION TAXATION ONLY
NOT TO SURVEYOR'S SCALE.



Por. N.E. 1/4 Sec. 32 T. 1N. R. 3W. S.B.B. & M.

City of Highland
Tax Rate Area
7192, 18051

287-07



REVISED	DATE	BY
3/22/08	TC	JE
2/12/08	TC	JE
7/28/08	GP	AL
6/20/09	GP	AL
4/16/09	AL	AL
4/14/09	AL	AL
4/13/09	AL	AL

56

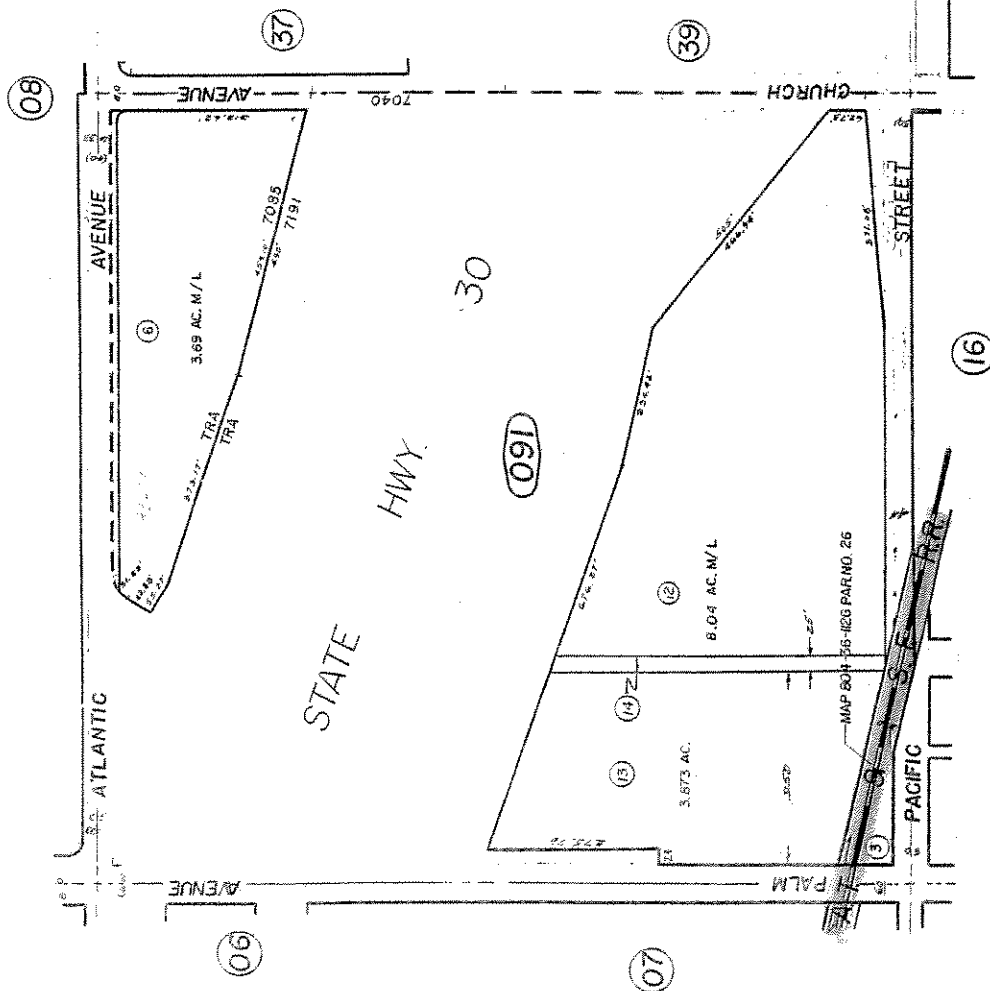
Assessor's Map
Book 287 Page 07

Note - Assessor's Blk. & Lot

Parcel Map No. 4319, PM. 40/6
Tr. No. 9999 MA 99/9

San Bernardino City
Tax Rate Area
7191, 7085

332



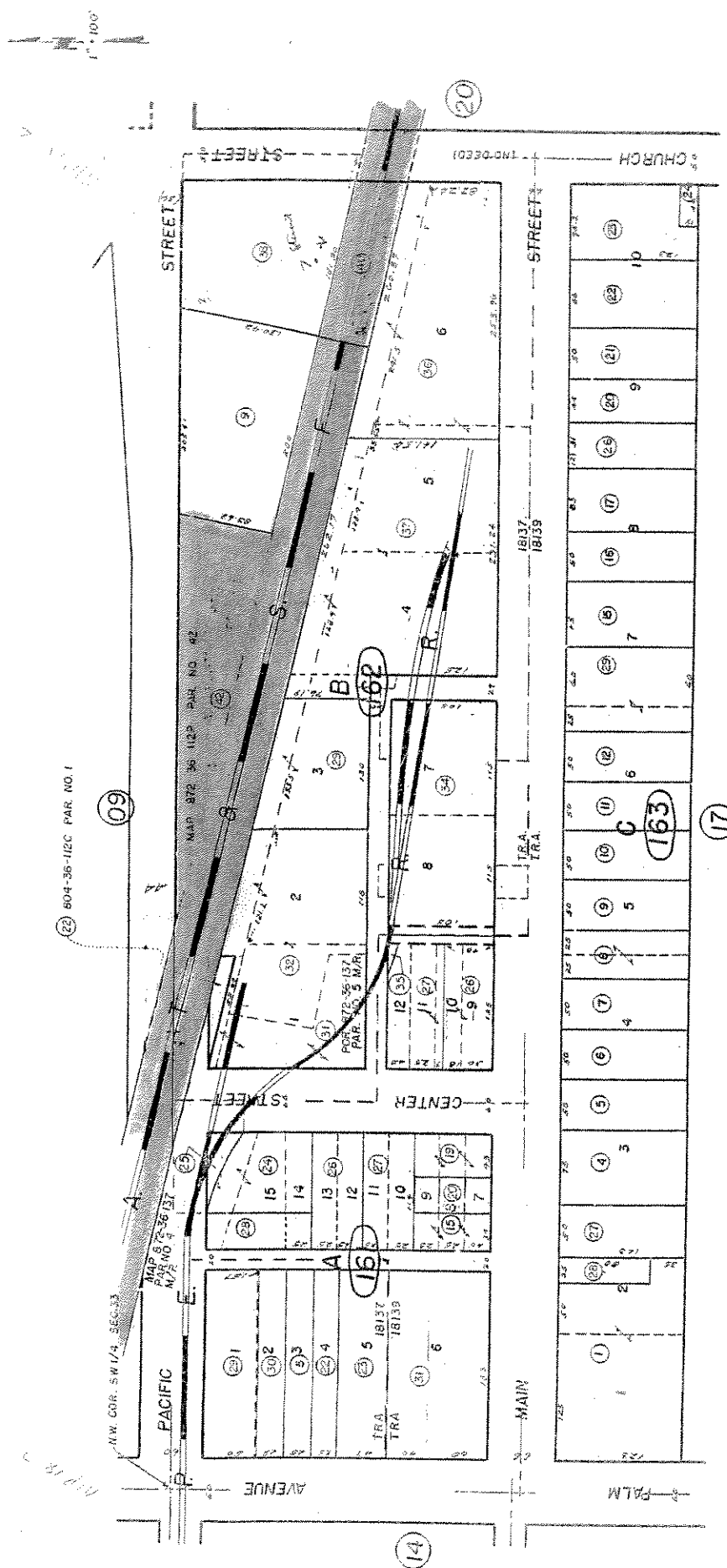
REVISED	6/20/76	GP	F
	5/20/75		M.
	4/29/77		MS.
	3/2/75		BT.
	9/28/76		

Assessor's Map
Book 287 Page 03
San Bernardino County

Note- Assessor's Blk. & Lot Numbers Shown in Circles

REVISED RR SS
10/26/92
4/2/93
2/25/95
12/5/97
3/6/01
8/7/90
4/6/92 AL

Note- Assessor's Blk. & Lot Numbers Shown in Circles



- San Bernardino County Transportation Commission
- San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency
- Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 5

Date: January 18, 2007

Subject: Proposed Station at Highgrove on the Metrolink Inland Empire/Orange County Line

Recommendation:* Decline participation in the development and operation of a Metrolink Station in the Highgrove area on the Metrolink Inland Empire/Orange County Line.

Background: Community representatives supporting the development of a Metrolink station in the Highgrove area adjacent to the Burlington Northern Santa Fe (BNSF) San Bernardino Subdivision have appeared before the SANBAG Board and the SANBAG Commuter Rail Committee over the past several months. The Highgrove station supporters have been seeking a joint funding commitment from SANBAG and the Riverside County Transportation Commission (RCTC) to acquire a 35-acre parcel bounded by the BNSF tracks, Citrus Street, Spring Street and Villa Street. Due to the location of the proposed station, approximately 0.5 miles south of the county line, many feel that a cooperative effort between the two county transportation commissions is needed.

On December 11th SANBAG received the attached letter from RCTC seeking a clear indication of SANBAG's position on a Highgrove station including how such a station might contribute to our passenger rail program and if there would be interest in financially supporting the construction and on-going operations cost should a station be constructed there.

*

Approved
Commuter Rail Committee

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

Before getting into the potential merits of a cooperative approach and the proposed location, it is beneficial to understand several issues that need to be considered. Is there currently a sufficient level of commuter trains or the potential to substantially increase the number of trains to warrant another station between San Bernardino and Riverside? Would there be a sufficient number of riders using the existing and/or future level of trains? How would station construction cost and on-going station security and maintenance cost be handled? And perhaps most importantly, is there revenue available in the SANBAG passenger rail program for SANBAG to participate financially for the proposed station?

Existing and Potential for Increased Commuter Train Service between San Bernardino and Riverside.

The only weekday commuter train service operating between San Bernardino and Riverside is the Metrolink Inland Empire/Orange County (IEOC) line. During the weekends limited service is provided with the IEOC and San Bernardino lines. Under the current agreements with BNSF, SCRRA is limited to four round trips a day between San Bernardino and Riverside. During the weekday the existing service is comprised of three trains departing San Bernardino during the a.m. peak period (4:55a, 5:26a and 6:02a), one round trip off-peak (10:50a arrival and 11:25a departure), and three trains arriving in San Bernardino during the p.m. peak (5:45p, 6:29p and 7:10p). From Riverside south into Orange County there are eight round trips (16 trains) per week day. On the weekend two IEOC trains depart San Bernardino (7:30a and 8:55a) and two arrive in the evening (5:20p and 7:00p) and two San Bernardino line trains depart Riverside (6:30a and 1:00p) and arrive in afternoon and evening (3:30p and 9:55p). The level of weekday service operating between San Bernardino and Riverside is by far the lowest level of train service on any Metrolink line. For example, there are thirty-four (34) and twelve (12) daily trains respectively on the San Bernardino and Riverside lines.

Pursuant to the existing operating and capital improvement agreements with BNSF additional train moves between San Bernardino and Riverside can only occur once the Colton Crossing (railroad to railroad grade separation) and a third track between Highgrove and Rana have been constructed. The preliminary cost estimates for these two projects are \$147 million for the Colton Crossing and \$10 million for the third track project. Even after that extensive capital investment, which today is not funded, SCRRA would be allowed to operate only two more trains between San Bernardino and Riverside.

While RCTC has amended their agreement with BNSF several times over the years to increase the number of trains allowed between San Bernardino and

Riverside – principally to accommodate the proposed service on the Perris Valley line, there is a dispute over the interpretation of those amendments. The dispute is the subject of an arbitration matter that is expected to conclude sometime in January 2007.

As expressed in the draft SCRRA 30-Year Strategic Assessment, there is interest on the part of SANBAG, RCTC and the Orange County Transportation Authority (OCTA) to increase the number of trains operating on the IEOC line as well as the Perris Valley line. In fact, SANBAG would certainly like to see all of the IEOC trains begin and end in San Bernardino.

With the limited number of trains currently operating between San Bernardino and Riverside coupled with the significant capital investment required just to add two trains, the uncertainty of the results of the RCTC/BNSF arbitration, and the probability and timeliness of renegotiating existing agreements with BNSF to allow for a substantially higher level of passenger train service, it would appear as though investing in a new station at Highgrove might be premature.

Ridership Estimates for a station at Highgrove

RCTC retained the firm of Wilbur Smith and Associates, the same firm used by SCRRA for estimating ridership for the draft SCRRA 30-Year Strategic Assessment, to develop an estimate of ridership at a proposed Highgrove station. The forecast of morning peak train boarding at a Highgrove station is compared with other station activity for Metrolink lines serving San Bernardino County in the table below. The forecasted volume of morning boardings at the proposed Highgrove station is pretty low compared to other Metrolink stations located in San Bernardino and Riverside Counties.

Station	A.M. Total Boardings¹	Peak Trains
Highgrove – IEOC Line	117	3
San Bernardino – IEOC Line	115	8
San Bernardino – SB/LA Line	412	8
Rialto – SB/LA Line	304	8
Fontana – SB/LA Line	357	8
Rancho Cucamonga – SB/LA Line	850	8
Upland – SB/LA Line	480	8
Montclair – SB/LA Line	423	8
East Ontario – RIV/LA Line	351	4

¹IEOC forecast from Wilbur Smith, all other station information from SCRRA Oct. 2006

The forecast of total daily ridership at the proposed Highgrove station would start at 234 today and could increase from 335 in 2010 with 20 trains operating to 462 (231 individuals) in 2030 with 40 trains operating. But even these forecasts are relatively low when compared to other stations on the San Bernardino and Riverside lines that will also benefit increases in train service over the next twenty years.

As noted above, due to the proximity of the proposed Highgrove station to the San Bernardino/Riverside County Line, it is reasonable to expect that a large percentage of the daily boardings at that station would come from the cities of Colton, Grand Terrace, Loma Linda and Redlands. In fact Wilbur Smith estimates that 72% of the ridership (84) would come from San Bernardino County. As the commuter train volumes increase over time, the county splits become closer to 60% San Bernardino and 40% Riverside. Thus it is understandable that RCTC would like to see a financial contribution from SANBAG should a station in Highgrove be built.

Even considering the higher ridership in 2030 of 462 daily passengers, the volume is not considered large enough to warrant consideration, especially when the forecast of 2030 daily passengers at other San Bernardino County stations will range from 1,380 to more than 5,000.

Station Construction and Operating Cost

Within the Metrolink system, the responsibility of the construction and operation of stations has differed among the five county agencies. For San Bernardino County stations, SANBAG agreed to pay for the basic station construction cost and the first two years of security and maintenance. Beyond that two-year period, the city in which the station is located picks up the responsibility for providing security and maintenance. Whereas in Riverside County, RCTC is responsible for funding the station construction as well as the on-going station security and maintenance cost.

Because RCTC assumes full responsibility of station construction, security and maintenance, they have periodically reviewed the feasibility of constructing a station in the Highgrove area. In the mid-1990's the Highgrove area was being considered for a combined station and train layover facility. But due to operational difficulties and a low forecast of ridership, a decision was made to construct the train layover facility near the Riverside Downtown station. In 1999, RCTC conducted a Tier II Station Survey to assist them in determining the phasing of additional stations. Two stations were selected for further

consideration through that process: Main Street, Corona and Van Buren. RCTC suspended development of the Van Buren site when an additional 21 acres became available for expanding the La Sierra station. The North Main Street station in Corona opened in 2002.

The subject of the placement of a station between San Bernardino and Riverside was broached as part of RCTC's consideration of passenger rail service on the Perris Valley line in 2003. At that time, the following three possible locations were considered: one was located on the north side of Main Street in the city of Grand Terrace, a second was located on the south side of Main Street in the unincorporated portion of Riverside County, and the third was the proposed Highgrove site in the city of Riverside. An Ad Hoc Committee formed by RCTC for the Perris Valley line preferred the location in Grand Terrace. The city of Grand Terrace preferred either of the two near Main Street. However, more recently the City has expressed concern over its ability to finance the on-going security and maintenance cost should the proposed station be constructed in their city.

RCTC estimates that the construction cost for a station at Highgrove would be somewhere between \$15 and \$20 million. The construction cost estimates are higher than those typically experienced in San Bernardino County because the station would be required to have platforms constructed on the outside of the main tracks and those platforms would be connected by a pedestrian over-crossing with elevators on both platforms. In addition to the construction cost, the annual cost of providing security and maintenance at the new station is estimated to be somewhere between \$200,000 and \$250,000.

Assuming that SANBAG's share would be 67% (the average between today and 2030 county of origin), of the construction and annual operating cost, between \$10.05 and \$13.40 million would be needed for station construction cost and between \$134,000 and \$167,500 annually would be needed for station security and maintenance.

The sharing of station construction and on-going station operations cost has not been contemplated in the past. And, while a sound argument could be made that the sharing might be considered in this case, an agreement to do so could open the flood gates for jointly sharing in station construction and operations cost at other locations and with other county agencies.

Availability of funds in the SANBAG Passenger Rail Program for a Highgrove Station

As the SANBAG Commuter Rail Committee and Board are fully aware, the initiation of commuter rail service early in the current Measure I Program was accomplished through a combination of using bond proceeds and borrowing from revenue from the Major Projects category. The repayment to the Major Projects category will continue to require that the full portion of commuter rail revenue received each year into FY 2009/2010 will be used for that purpose.

The new Measure I Program (2010 -2040) will begin generating revenue in the 4th quarter of FY 2009/2010. The Expenditure Plan for the extension identified two major projects for which the new Measure I Rail Funds would be used – the extension of the Metro Gold Line to Montclair and the initiation of passenger rail service between San Bernardino and Redlands. A portion of the new revenue would also be used to support on-going operating subsidies for those two systems.

In 2006 dollars, a total of \$483.6 million in Passenger Rail Funds would be generated over the 30-year period. Of that amount, the Expenditure Plan identifies \$122.5 million for the Redlands and Gold Line capital projects and approximately \$2.1 million per year, or \$73.5 million through 2040, will be needed for operating assistance. In order to advance the Redlands and Gold Line projects on the proposed schedules, starting in Fiscal Year 2011, debt financing will be required. The debt service is expected to add \$10.4 million in cost. Thus about 43% of the Passenger Rail Funds will be committed to the Redlands and Gold Line projects. The remaining balance will be required to support the capital projects contained in the draft SCRRA 30-Year Strategic Assessment that are needed in order to expand train service on the three lines serving San Bernardino County.

The only way SANBAG could contribute to the capital and operating cost of a new station in Highgrove would be through increasing the debt financing and/or delaying the implementation of either the Redlands or Gold Line services. The Redlands and Gold Line services are expected to generate 11,400 and 2,300 passengers per day respectively – substantially more than the projected daily ridership for the Highgrove station (462 in 2030).

Conclusion and Recommendation

SANBAG has and will continue to be a regional player with its Metrolink neighboring county agencies. We supported the demonstration of Saturday service on the Riverside line and are supportive of the recent beginning of weekend service on the IEOC line. The major obstacle to growing train service on both the Riverside and IEOC lines is the existing limitation of train movements in the agreements with Union Pacific and BNSF. SANBAG is certainly supportive of opening negotiations with both railroads and the other Metrolink member agencies in order to gain more train service.

But with respect to financially participating in the construction and operation of a proposed Highgrove station, staff would have to recommend against it because: 1) the forecast of ridership does not warrant it; 2) our ability to increase the number of trains operating between San Bernardino and Riverside is totally dependent on a re-negotiation with BNSF; 3) there is no identifiable funding immediately available for this project and either debt financing and/or a postponement of the Redlands and Gold Line projects would need to be considered should a decision be made to participate; and 4) defining the Highgrove station as a regional station requiring multiple county agency participation could open the door for similar definitions elsewhere in the Metrolink system, such as the East Ontario and Industry stations on the Riverside line.

Financial Impact: The financial participation of SANBAG in a proposed Highgrove station has not been contemplated in the current year budget or in the Expenditure Plan for the extension of Measure I. Should a decision be made to financially participate in a proposed Highgrove station, the issue of debt financing and/or delaying the Redlands and/or Gold Line projects, or reducing the funding for future SCRRA capital improvements necessary to expand service on the other Metrolink lines serving San Bernardino County would need to be considered.

Reviewed By: This item will be reviewed by the Commuter Rail Committee on January 18, 2007.

Responsible Staff: Michael Bair, Director of Transit and Rail Programs

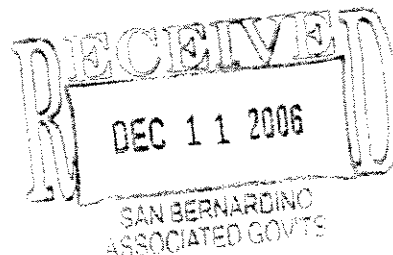


**Riverside County
Transportation Commission**

*Riverside County Regional Complex
4080 Lemon Street, 3rd Floor • Riverside, California
Mailing Address: Post Office Box 12008 • Riverside, California 92502-2208
Phone (951) 787-7141 • Fax (951) 787-7920 • www.rctc.org*

December 7, 2006

Mr. Tony Grasso
Executive Director
San Bernardino Associated Governments
1170 W. 3rd Street, 2nd Floor
San Bernardino, CA 92410-1715



Dear Tony:

I am writing to seek additional information from you regarding the position of San Bernardino Associated Governments (SANBAG) regarding a Metrolink station in the community of Highgrove.

Both of our agencies have been repeatedly contacted by a local resident who has sought a station in the area for more than a decade. During our last RCTC Commission meeting, a number of residents spoke during public comments advocating for such a station. The majority of the residents who spoke mentioned that they were residents of San Bernardino County; in fact one resident is a current member of the Grand Terrace City Council.

Given the location of Highgrove, near the border of our two counties it is my belief, as well the opinion of others on RCTC that a station in this vicinity will require cooperative action between RCTC and SANBAG. We recently conducted a ridership modeling exercise which indicates that if a station is developed in Highgrove, more than two-thirds of the users would most likely be residents of San Bernardino County.

With these factors in mind and the continued interest in the station from the local community, I'm seeking to inquire about SANBAG's interest regarding a potential station. In January, RCTC will present a report to the entire Commission regarding the feasibility of a Highgrove station. This report will include projected ridership and costs, operational issues and the impact of a Highgrove station on long-range commuter plans within the region.

In order to maximize the impact of our report, a clear indication of SANBAG's position on a Highgrove station would be most appreciated. Specifically it would be helpful to understand how a Highgrove station might contribute to SANBAG's commuter rail plans, the level of financial involvement that SANBAG would be interested in contributing for capital and annual operating costs and any input that your agency might provide in terms of the effect of a Highgrove station on overall rail operations including the need to complete Colton Crossing improvements.

I appreciate your ongoing interest and assistance regarding regional matters, and look forward to your response on this particular issue. Thank you for your consideration, and please do not hesitate to contact me at (951) 787-7141 to discuss the matter in detail.

Sincerely,

Eric Haley
Executive Director

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 6

Date: January 18, 2007

Subject: Sale of Surplus Property located on the north side of the Baldwin Park Branch between Monte Vista Avenue and Huntington Drive in the City of Upland

- Recommendation:***
1. Find that approximately 1.2 acres of non-operating property on the north side of the Baldwin Park Branch between Monte Vista Avenue and Huntington Drive in the City of Upland is no longer required for SANBAG use (four-fifths vote required).
 2. Approve Purchase and Sale Agreement (SANBAG Contract AR07179) for the sale of approximately 1.2 acres of non-operating property to the Upland Community Redevelopment Agency for the appraised value of \$89,000 as identified in the Financial Impact Section.

Background: The City of Upland and the Upland Community Redevelopment Agency have requested that SANBAG, acting as the County Transportation Authority, consider selling approximately 1.2 acres of non-operating property located on the north side of the Baldwin Park Branch between Monte Vista Avenue and Huntington Drive. The property to be sold was acquired by the Authority from the Southern Pacific Railroad in 1991 and is not protected by Policy 31600- Baldwin Park Branch Right-of-Way Continuity.

The Authority acquired a right-of-way width of 150 feet from the eastern terminus of Huntington Drive and Monte Vista Avenue. The railroad corridor on both ends of this segment is 70 feet. In researching the ownership of segment, a 1909 deed

*

Approved
Commuter Rail Committee

Date: _____

Moved: _____ *Second:* _____

In Favor: _____ *Opposed:* _____ *Abstained:* _____

Witnessed: _____

contains language that indicates an intent that 40 feet on either side of the center 70 foot railroad right-of-way would be used for a public roadway. However, over time as this property changed hands, the legal description for this segment consistently referred to the 150 foot right-of-way and there does not appear to be any documentation of either the County of San Bernardino or City of Upland accepting a conveyance of the 40 foot portion for roadway purposes.

The City and Redevelopment Agency has been working with the Hutton Development for the development of a residential development, known as College Park, on property immediately north of the 150 foot right-of-way. The Redevelopment Agency would like to acquire the 40 foot portion previously intended for roadway purposes and then re-sell the property to Hutton Development so that the developer could use a portion of this property as an emergency access roadway. The other portion of the property would be landscaped. In addition, water and sewer lines serving the development would be located within the 40 foot strip.

Financial Impact: The Redevelopment Agency commissioned a summary appraisal report for the 40 foot portion. The market value from the report is \$89,000. This item has no immediate impact on the agency budget. The revenue received from the sale of property will be placed in the Rail Asset Account and made available for future rail-related capital improvements.

Reviewed By: This item will be reviewed by the Commuter Rail Committee on January 18, 2007. The Purchase and Sale Agreement is being reviewed by City and SANBAG legal counsel. The Upland Community Redevelopment Agency will be considering this item on January 22.

Responsible Staff: Michael Bair, Director of Transit and Rail Programs.

SANBAG Contract AR07179

**AGREEMENT FOR PURCHASE AND SALE AND
JOINT ESCROW INSTRUCTIONS**

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS ("Agreement") is entered into by and between the CITY OF UPLAND, a public body, corporate and politic ("Buyer"), and SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY, a county transportation authority existing under the authority of §180000 et seq., of the California Public Utilities Code ("Seller"). Buyer and Seller are sometimes individually referred to herein as "Party" and collectively as "Parties." The Parties hereto have executed this Agreement on the dates set forth below next to their respective signatures. This Agreement shall be effective as of the date, following all legally required notices and hearings, this Agreement has been approved by Buyer's governing body or its delegated representative and signed by all Parties ("Effective Date").

RECITALS

A. Seller is the owner in fee of certain real property, located in the City of Upland, County of San Bernardino, State of California and more particularly described in Exhibit A attached hereto and incorporated herein by reference ("Property"), consisting of approximately 1.172 acres. Reference herein to "Property" shall include all of Seller's right, title and interest in and to any and all improvements, fixtures, rights-of-way, utility rights, entitlements, claims or other benefits in any way connected with the Property.

B. Buyer desires to purchase the Property from Seller and Seller desires to sell the Property to Buyer, upon the terms and provisions set forth herein.

NOW, THEREFORE, in consideration of the above facts and for the covenants and agreements contained herein, the Parties hereto agree as follows:

TERMS

1. PURCHASE AND SALE.

1.1 Property. Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller, upon the terms and conditions set forth herein.

1.2 Purchase Price. The purchase price for the Property is _____ Dollars and _____ Cents (\$) ("Purchase Price"). The Purchase Price includes, without limitation, full payment of just compensation, relocation expenses, lease bonus value, goodwill, furniture, fixtures and equipment, attorneys' fees, costs, interest, and damages in complete settlement of all claims (known and unknown), causes of action and demands of Seller against the Buyer because of Buyer's acquisition of the Property, and for any and all claims (known and unknown) arising from or relating to the purchase and sale which is the subject of this Agreement.

1.3 Payment of Purchase Price. At Close of Escrow (defined in Section 2.3), Buyer shall pay to Seller through escrow the Purchase Price in cash, by cashier's or certified check or by wire transfer;

2. ESCROW.

2.1 Opening of Escrow. Within five (5) business days following the Effective Date, Seller and Buyer shall open an escrow ("Escrow") for the conveyance of the Property with JM Escrow ("Escrow Holder") at 245 N. Euclid Avenue, Upland, California 91786. For purposes of this Agreement, the Escrow shall be deemed open on the date Escrow Holder shall have received a fully executed original or originally executed counterparts of this Agreement from Seller and Buyer ("Opening of Escrow"). Escrow Holder shall notify Buyer and Seller, in writing, of the date Escrow is opened.

2.2 Escrow Instructions. This Agreement constitutes the joint basic escrow instructions of Buyer and Seller for conveyance of the Property. Either an original or a copy, at Escrow Holder's discretion, of this Agreement, fully executed by the Parties, shall be delivered to Escrow Holder upon the Opening of Escrow. Buyer and Seller shall execute, deliver and be bound by any reasonable or customary supplemental or additional escrow instructions ("Additional Instructions") of Escrow Holder or other instruments as may be reasonably required by Escrow Holder in order to consummate the transaction contemplated by this Agreement. Any such Additional Instructions shall not conflict with, amend or supersede any portions of this Agreement unless expressly consented or agreed to in writing by Seller and Buyer. In the event of any conflict or any inconsistency between this Agreement and such Additional Instructions, this Agreement shall govern unless otherwise specifically agreed to in writing by the Parties.

2.3 Close of Escrow. For purposes of this Agreement, "Close of Escrow" or "Closing" means the recordation of the grant deed conveying the Property to Buyer ("Grant Deed") in the Official Records of San Bernardino County, California, and the disbursement of funds and distribution of any other documents by Escrow Holder, all as described herein. Close of Escrow shall occur on _____, 2007, ("Closing Date"), provided that Seller and Buyer may, but shall not be obligated to, close the Escrow upon such earlier date as the Seller and Buyer mutually agree to in writing. Buyer and Seller may mutually agree to change the Closing Date by joint written notice to Escrow Holder. The Closing shall be conditioned upon satisfaction, or waiver by the Party for whose benefit the condition exists, of all conditions precedent thereto.

In the event the Escrow is not in a condition to close by the Closing Date for any reason other than the uncured breach of either Buyer or Seller, then any Party who is not then in default of the terms of this Agreement may terminate this Agreement as provided in Article 7. If no notice of termination as provided in Article 7 is received by Escrow Holder, Escrow Holder is instructed to proceed with Close of Escrow as soon as possible.

2.4 Costs of Escrow. Seller shall pay the costs of the Title Policy (defined in Section 3.1), as applicable. All other costs of processing the Escrow, except as specifically instructed in this Agreement, shall be divided between the Parties in accordance with common escrow practices in San Bernardino County at the discretion of Escrow Holder. Escrow Holder shall provide an estimated closing costs statement to Buyer and Seller at least three (3) days prior to the Closing Date. Each Party shall be responsible for payment of its own attorney's fees with respect to negotiation and preparation of this Agreement.

2.5 Property Taxes and Assessments. All property taxes and assessments levied and assessed against the Property shall have been paid by Seller before delinquency and shall be current as of Close of Escrow. There shall be no proration of such taxes and assessments. To the extent that Seller has prepaid any taxes or assessments attributable to the Property, Seller shall be solely responsible for obtaining any refund due thereon from the taxing authority. Upon written request, Buyer shall assist Seller, at Seller's sole cost, in obtaining said refund, if any; however, in no case shall Buyer credit or otherwise pay Seller for said refund, if any, through or outside of Escrow. Seller shall be liable for any property taxes and assessment and any supplemental assessments received following Close of Escrow but assessed based upon matters occurring prior to Close of Escrow.

2.6 Buyer's Conditions Precedent to Close of Escrow. The Close of Escrow and Buyer's obligation to accept title to the Property and pay the Purchase Price are subject to the satisfaction of the following conditions for Buyer's benefit (or Buyer's waiver thereof, it being agreed that Buyer may waive any or all of such conditions) on or prior to the Closing Date:

- 2.6.1 Seller shall have tendered into Escrow all payments and documents required of it pursuant to this Agreement.
- 2.6.2 Seller shall have completed in a timely fashion all of its obligations which are to be completed prior to the Close of Escrow as provided in this Agreement.
- 2.6.3 Escrow Holder shall have received an irrevocable commitment from the Title Company to issue the Title Policy required pursuant to this Agreement, subject only to the Permitted Exceptions, as set forth in more detail in Article 3.
- 2.6.4 All representations and warranties of the Seller hereunder shall be true as of the Effective Date and as of the Close of Escrow and shall continue thereafter for the full statutory period.
- 2.6.5 All property taxes and assessments attributable to the Property shall have been paid by Seller before delinquency and shall be current as of Close of Escrow.
- 2.6.6 Buyer shall have approved Escrow Holder's estimated closing costs statement.

2.6.7 Seller shall be in a position to convey the Property to Buyer free of any possession or right of possession by any person except Buyer.

2.6.8 Buyer shall have determined that the condition of the Property is suitable for Buyer's intended use and development pursuant to Section 5.1 hereof.

2.7 Seller's Conditions Precedent to Close of Escrow. The Close of Escrow and Seller's obligation to convey the Property are subject to the satisfaction of the following conditions for Seller's benefit (or Seller's waiver thereof, it being agreed that Seller may waive any or all of such conditions) on or prior to the Closing Date:

2.7.1 Buyer shall have tendered into Escrow all payments and documents required of it pursuant to this Agreement.

2.7.2 Buyer shall have completed in a timely fashion all of its obligations which are to be completed prior to the Close of Escrow as provided in this Agreement.

2.7.3 The Escrow Holder shall have received an irrevocable commitment from the Title Company to issue the Title Policy or Extended Policy, as applicable, required pursuant to this Agreement, subject only to the Permitted exceptions, as set forth in more detail in Article 3.

2.7.4 All representations and warranties of the Buyer hereunder shall be true as of the Effective Date and as of the Close of Escrow and shall continue for the full statutory period.

2.7.5 Seller shall have approved Escrow Holder's estimated closing costs statement.

2.8 Buyer's Payments and Documents. No less than one (1) day prior to Closing, Buyer shall pay or tender (as applicable) to the Escrow Holder the following-described funds and documents (in recordable form, as necessary):

2.8.1 The Purchase Price,

2.8.2 Funds required to pay all sales or brokerage commissions and finder's fees payable by Buyer, if any, with respect the transaction which is the subject of this Agreement.

2.8.3 Funds required to pay any additional charges customarily charged to buyers in accordance with common escrow practices in San Bernardino County, at the discretion of Escrow Holder.

2.8.4 Certificate accepting the Grant Deed and consenting to recording of same.

2.8.5 Preliminary Change of Ownership form.

2.8.6 Such other documents and funds required of Buyer under this Agreement and by Escrow Holder in the performance of its contractual or statutory obligations.

2.9 Seller's Payments and Documents. No less than one (1) day prior to Closing, Seller shall pay or tender (as applicable) to the Escrow Holder the following-described funds and documents (in recordable form, as necessary):

2.9.1 Funds required to pay the prorated amount of ad valorem taxes, if applicable, upon the Property with respect to the period prior to Close of Escrow.

2.9.2 Funds required to pay all sales or brokerage commissions and finder's fees payable by Seller, if any, with respect the transaction which is the subject of this Agreement.

2.9.3 Any additional charges customarily charged to sellers in accordance with common escrow practices in San Bernardino County, at the discretion of Escrow Holder.

2.9.4 A fully-executed and acknowledged Grant Deed commonly used by Escrow Holder and in a form acceptable to Buyer in its reasonable discretion.

2.9.5 FIRPTA Certificate and appropriate California Form 593.

2.9.6 Such other documents and funds required of Seller under this Agreement and by Escrow Holder in the performance of its contractual or statutory obligations.

2.10 Escrow Holder Responsibilities. Upon the Closing, Escrow Holder is authorized and instructed to:

2.10.1 Cause the satisfaction and removal of all exceptions to title to the Property representing monetary liens or encumbrances from funds otherwise payable to Seller at Close of Escrow, including, without limitation, all unpaid taxes and assessments respecting the Property which became due and payable prior to Close of Escrow and all penalties and interest, if any, thereon. Before such payments or charges are made, Escrow Holder shall notify Seller of the sums

necessary to satisfy and remove such monetary liens or encumbrances.

2.10.2 Pay, and charge Buyer and Seller, respectively, for any fees, charges and costs payable under Sections 2.8 and 2.9. Before such payments or charges are made, Escrow Holder shall notify Buyer and Seller of the fees, charges and costs necessary to clear title and close the Escrow.

2.10.3 Credit Buyer and debit Seller for Seller's prorata amount of all unpaid ad valorem taxes, if applicable, upon the Property with respect to the period prior to Close of Escrow. Before such charges and credits are made, Escrow Holder shall notify Buyer and Seller of the sums necessary therefor.

2.10.4 Record the Grant Deed, and any other instruments as appropriate, delivered through Escrow.

2.10.6 Disburse such other funds and deliver such other documents to the Parties entitled thereto.

2.10.7 Cause the Title Policy to be issued.

2.11 Notices. All communications from Escrow Holder to either Buyer or Seller shall be directed to the addresses and in the manner established in Section 9.1 for notices, demands and communications between the Buyer and Seller.

2.12 Facsimile/Counterpart Documents. In the event Buyer or Seller utilizes "facsimile" transmitted signed documents, the Parties hereby agree to accept and instruct Escrow Holder to rely upon such documents as if they bore original signatures. Buyer and Seller hereby acknowledge and agree to provide to Escrow Holder, within seventy-two (72) hours after transmission, such documents bearing the original signatures. Buyer and Seller further acknowledge and agree that facsimile documents bearing non-original signatures will not be accepted for recording and that the Parties will provide originally executed documents to Escrow Holder for such purpose. Escrow Holder is authorized to utilize documents which have been signed by Buyer and Seller in counterparts.

3. TITLE.

3.1 Condition of Title; Title Policy. It is a condition to the Close of Escrow for Buyer's benefit that fee title to the Property and the right to possession to any portion of the Property conveyed to Buyer pursuant to this Agreement shall be subject only to the Permitted Exceptions (defined in Section 3.2), as evidenced by the receipt by Escrow Holder of an irrevocable commitment from First American Title Company ("Title Company") to issue to Buyer upon Close of Escrow its Standard Owner's Form Policy of Title Insurance ("Title Policy") in an amount equal to the Purchase Price showing title to the Property vested in Buyer, subject only to the Permitted Exceptions. Buyer may, at its option, request an Extended Owner's Form Policy of Title Insurance ("Extended Policy") and/or any title endorsements, provided that the issuance of said Extended Policy and/or endorsements does not delay the Close of Escrow. Such Extended Policy, if applicable, shall be in an amount equal to the Purchase Price showing title to the Property vested in Buyer, subject only to the Permitted Exceptions. Seller shall cause Title Company to issue to Buyer such Title Policy or Extended Policy, as applicable, upon Close of Escrow.

3.2 Permitted Exceptions. The term "Permitted Exceptions" as used herein shall mean the following-described conditions and exceptions to title or possession:

- 3.2.1 A lien to secure payment of general and special real property taxes and assessments, not delinquent.
- 3.2.2 A lien of supplemental taxes assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code accruing on or after the Close of Escrow.
- 3.2.3 Matters affecting the condition of title created by or with the consent of Buyer.
- 3.2.4 Other exceptions to title disclosed by the Title Report (defined in Section 3.3) which have been approved in writing by Buyer prior to the Close of Escrow.

Notwithstanding any other provision(s) in this Agreement, any exceptions to title to the Property representing monetary liens or encumbrances are hereby disapproved and deemed a Disapproved Item, and Escrow Holder is hereby authorized and instructed to cause at Close of Escrow the satisfaction and removal of any such monetary exceptions from funds otherwise payable to Seller at Close of Escrow.

3.3 Title Report. Within fifteen (15) calendar days following the Opening of Escrow, Seller shall obtain, and provide a copy to Buyer, a standard preliminary report from the Title Company, together with the underlying documents relating to the Schedule B exceptions set forth in such report (collectively, the "Title Report").

4. [INTENTIONALLY OMITTED]

5. SUITABILITY AND CONDITION OF PROPERTY.

5.1 Inspections and Right of Entry. Prior to Close of Escrow, Buyer may conduct, at Buyer's sole expense, such inspections of the Property as Buyer may desire or deem appropriate, in Buyer's sole discretion, to determine the suitability of the Property for Buyer's intended use and development. Seller hereby grants to Buyer and its authorized employees, representatives, agents and contractors, permission and a license to enter upon the Property at all reasonable times prior to the Closing Date for the purpose of conducting such inspections.

(a) Certain Definitions. For the purpose of this Agreement, the terms set forth below shall have the following meaning:

(i) "environmental laws" means all federal, state, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, or decrees, regulating, relating to, or imposing liability of standards of conduct concerning any hazardous substance (as later defined), or pertaining to occupational health or industrial hygiene (and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to hazardous substances on, under, or about the Property), occupational or environmental conditions on, under, or about the Property, as now or may at any later time be in effect, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") [42 USC Section 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 ("RCRA") [42 USC Section 6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act ("FWPCA") [33 USC Section 1251 et seq.]; the Toxic Substances Control Act ("TSCA") [15 USC Section 2601 et seq.]; the Hazardous Materials Transportation Act ("HMTA") [49 USC Section 1801 et seq.]; the Insecticide, Fungicide, Rodenticide Act [7 USC Section 6901 et seq.]; the Clean Air Act [42 USC Section 7401 et seq.]; the Safe Drinking Water Act [42 USC Section 300f et seq.]; the Solid Waste Disposal Act [42 USC Section 6901 et seq.]; the Surface Mining Control and Reclamation Act [30 USC Section 101 et seq.]; the Emergency Planning and Community Right to Know Act [42 USC Section 11001 et seq.]; the Occupational Safety and Health Act [29 USC Section 655 and 657]; the California Underground Storage of Hazardous Substances Act [H & S C Section 25288 et seq.]; the California Hazardous Substances Account Act [H & S C Section 25300 et seq.]; the California Safe Drinking Water and Toxic Enforcement Act [H & S C Section 24249.5 et seq.] and the Porter-Cologne Water Quality Act [Water Code Section 13000 et seq.] together with any amendments of or regulations promulgated under the statutes cited above and any other federal, state, or local law, statute, ordinance, or regulation now in effect or later enacted that pertains to occupational health or industrial hygiene, and only to the extent the occupational health or industrial hygiene laws, statutes, ordinances, or regulations relate to hazardous substances on, under, or about the Property, or the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

(ii) "hazardous substances" includes without limitation:

those substances included within the definitions of "hazardous substance," "hazardous waste," "hazardous material," "toxic substance," "solid waste," or "pollutant or contaminate" in CERCLA, RCRA, TSCA, HMTA, or under

any other environmental law; and

those substances listed in the United States Department of Transportation (DOT) Table [49 CFR 172.101], or by the EPA, or any successor agency, as hazardous substances [40 CFR Part 302]; and

other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under federal, state, or local laws or regulations; and

any material, waste, or substance that is:

- (1) a petroleum or refined petroleum product,
- (2) asbestos,
- (3) polychlorinated biphenyl,
- (4) designated as a hazardous substance pursuant to 33 UCS Section 1321 or listed pursuant to 33 USC Section 1317
- (5) a flammable explosive, or
- (6) a radioactive material.

(b) During the period that this Agreement is in effect prior to the Close of Escrow, Buyer or its designee shall have the right to examine, inspect and investigate the Property (the "Due Diligence Period") to determine whether the condition of and title to the Property is acceptable to Buyer in its sole and absolute discretion.

(c) During the Due Diligence Period, Seller shall permit Buyer or its designee, their engineers, analysts, contractors and agents to conduct such physical inspections and testing of the Property as Buyer or its designee deems prudent or advisable with respect to the physical condition of the Property.

(d) Any such investigation work on the Property may be conducted by Buyer or its designee or their agents during any normal business hours upon notice to Seller, which notice will include a general description of any investigation work or tests to be conducted on the Property. Upon Seller's request, Buyer will provide Seller with copies of any of Buyer's test results. Buyer shall pay for all costs and expenses associated with the conduct of all such Due Diligence investigation. In the event that Buyer may reject the condition of the Property for any reason, Seller shall have no duty or obligation to correct any such condition.

(e) Buyer acknowledges and agrees that it shall be given and Seller shall give to Buyer a full opportunity under this Agreement to inspect and investigate every aspect of the Property during the Due Diligence Period. If the Close of Escrow occurs, Buyer shall accept the delivery of possession of the Property (including, but not limited to, subterranean structures and soil conditions), in an "AS IS," "WHERE IS" and "SUBJECT TO ALL FAULTS" condition. Buyer further agrees and represents to Seller that by a date no later than the end of the Due Diligence Period for the Property, Buyer shall have conducted and completed (or waived the completion) of all of its independent investigation of the condition of such portion of the Property

as to be transferred at Close of Escrow which Buyer may believe to be indicated. Buyer hereby acknowledges that it shall rely solely upon its own investigation of the Property and its own review of such information and documentation, as it deems appropriate for the purpose of accepting the condition and possession of such portion of the Property as to be transferred at Close of Escrow. Buyer is not relying on any statement or representation by Seller, any employee, official or consultant of Seller relating to the condition of the Property unless such statement or representation is specifically contained in this Agreement. Without limiting the foregoing, Seller makes no representations or warranties as to whether the Property presently complies with environmental laws or whether the Property contains any hazardous substance as these terms are defined in this Agreement. Furthermore, to the extent that Seller has provided Buyer with information relating to the condition of the Property, Seller makes no representation or warranty with respect to the accuracy, completeness or methodology or content of such reports or information.

(f) Without limiting the above, except to the extent covered by an express representation or warranty of Seller set forth in this Agreement, and except for any hazardous substances which Buyer demonstrates by a preponderance of evidence have been released upon the Property at any time after the Seller's acquisition of the Property and prior to the date of commencement of the lease of the Property to Buyer, Buyer on behalf of itself and its successors, waives and releases Seller and its successors and assigns from any and all costs or expenses whatsoever (including, without limitation, attorneys' fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, arising from or relating to any of the following matters and conditions relating to the Property which exist as of the date of the applicable Close of Escrow: the physical condition of the Property or any above-ground or underground improvements thereon, the condition of the soils, the suitability of the soils for the improvement of the Project as proposed, or any law or regulation applicable thereto. Nothing in this Section 5.1 shall modify or impair any rights or remedies Buyer may have at law or equity against third parties with respect to the condition of the property.

(g) Buyer expressly waives any rights or benefits available to it with respect to the foregoing release under any provision of applicable law which generally provides that a general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time the release is agreed to, which, if known to such creditor, would materially affect a settlement. By execution of this Agreement, Buyer acknowledges that it fully understands the foregoing, and with this understanding, nonetheless elects to and does assume all risk for claims known or unknown, described in this Section without limiting the generality of the foregoing:

The undersigned acknowledges that it has been advised by legal counsel and is familiar with the provisions of California Civil Code Section 1542, which provides as follows:

"A GENERAL RELEASE DOES NOT
EXTEND TO CLAIMS WHICH THE CREDITOR
DOES NOT KNOW OR SUSPECT TO EXIST IN
HIS FAVOR AT THE TIME OF EXECUTING
THE RELEASE, WHICH IF KNOWN BY HIM,
MUST HAVE MATERIALLY AFFECTED HIS
SETTLEMENT WITH THE DEBTOR."

The undersigned, being aware of this code section, hereby expressly waives any rights it may have thereunder, as well as under any other statutes or common law principles of similar effect.

Initials of Buyer: _____

(h) The provisions of this Section shall survive the Close of Escrow, and shall be binding upon Buyer.

6. SELLER'S ACKNOWLEDGMENT AND GENERAL RELEASE.

6.1 Full Satisfaction. Seller acknowledges that, in accordance with applicable provisions of California law, Seller may be entitled to payment of relocation expenses, payments for loss of goodwill, just compensation, inverse condemnation, unlawful pre-condemnation conduct, and other benefits and reimbursements other than those expressly provided for in the Agreement (collectively, "Benefits") in connection with Buyer's acquisition of the Property. Seller, on behalf of itself and its heirs, executors, administrators, successors and assigns, acknowledges that Buyer's performance under this Agreement constitutes full and complete satisfaction of Buyer's obligations to provide the Benefits to the Seller.

7. TERMINATION, DEFAULTS AND REMEDIES.

7.1 Exercise of Rights to Terminate. In the event Buyer elects to exercise its rights to terminate this Agreement and the Escrow as provided in Sections 2.3, or 9.3, then Buyer may so terminate by giving notice, in writing, of such termination to Seller and Escrow Holder. In the event Seller elects to exercise its rights to terminate this Agreement and the Escrow as provided in Sections 2.3 or 9.3, then Seller may so terminate by giving notice, in writing, of such termination to Buyer and Escrow Holder. In such event, the Party so terminating shall pay all Escrow Holder and Title Company termination fees and charges (collectively, "Termination Costs"). Upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting for the obligation of Party so terminating to pay Termination Costs as provided herein, shall cease and terminate.

7.2 Buyer's Breach. In the event Buyer breaches any obligation hereunder which Buyer is to perform prior to the Close of Escrow, and fails to cure such breach within 30 days or additional time reasonably required to complete the cure, then Seller, as its sole and exclusive remedy, may terminate this Agreement and the Escrow by giving notice, in writing, of such termination to Buyer and Escrow Holder. In such event, Buyer shall pay all Termination Costs. Upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting for Buyer's obligation to pay Termination Costs as provided herein, shall cease and terminate.

7.3 Seller's Breach. In the event Seller breaches any obligation hereunder which Seller is to perform prior to the Close of Escrow, and fails to cure such breach within 30 days or additional time reasonably required to complete the cure, then, in addition to pursuing any other rights or remedies which Buyer may have at law or in equity, Buyer may, at Buyer's option, (i) terminate this Agreement and the Escrow by giving notice, in writing, of such termination to Seller

and Escrow Holder, or (ii) initiate an action for specific performance of this Agreement. Should Buyer elect to terminate this Agreement and the Escrow as provided herein, then Seller shall pay all Termination Costs, and upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting for Seller's obligation to pay Termination Costs as provided herein, shall cease and terminate.

7.4 Return of Funds and Documents; Release of Liability as to Escrow Holder. In the event Escrow Holder terminates this Escrow as a result of having received notice, in writing, from Buyer or Seller of its election to terminate the Escrow as provided in Article 7, then Escrow Holder shall terminate the Escrow and return all funds, less Termination Costs, as appropriate, and documents to the Party depositing the same. Further, the Parties hereby release Escrow Holder, and shall hold Escrow Holder free and harmless, from all liabilities associated with such termination excepting for Escrow Holder's obligations to return funds and documents as provided herein.

8. REPRESENTATIONS AND WARRANTIES.

8.1 Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer that the following statements are true and correct as of the Effective Date, and shall be true and correct as of Close of Escrow, and the truth and accuracy of such statements shall constitute a condition precedent to all of Buyer's obligations under this Agreement:

8.1.1 Authority. Seller has full power and authority to own, sell and convey the Property to Buyer and to perform its obligations pursuant to this Agreement. This Agreement and all other documents delivered by Seller to Buyer now or at Close of Escrow have been or will be duly executed and delivered by Seller and are or will be legal, valid and binding obligations of Seller, sufficient to convey to Buyer good and marketable title to the Property and are enforceable in accordance with their respective terms.

8.1.2 No Unrecorded Possessory Interests; No Agreements or Undertakings. To Seller's current actual knowledge, there are no agreements for occupancy in effect for the Property and no unrecorded possessory interests or unrecorded agreements that would adversely affect Buyer's title to or use of the Property. Seller will not enter into any agreements or undertake any obligations prior to Close of Escrow which will in any way burden, encumber or otherwise affect the Property without the prior written consent of Buyer, including, without limitation, any agreements for occupancy for the Property.

8.1.4 Litigation. There are no claims, actions, suits or proceedings continuing, pending or threatened against or affecting Seller or the Property, or involving the validity or enforceability of this Agreement or of any other documents or instruments to be delivered by Seller at Close of Escrow, at law or in equity, or before or by any federal, state, municipal or other governmental department, board, commission, bureau, Buyer or instrumentality. Seller is not subject to or in default under any notice, order, writ, injunction, decree or demand of any court or any governmental department, board, commission, bureau, Buyer or instrumentality.

8.1.5 No Breach. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereby will not violate or result in any breach of or

constitute a default under or conflict with or cause any acceleration of any obligation with respect to any provision or restriction of any lien, lease, agreement, contract, instrument, or, according to Seller's knowledge, any order, judgment, award, decree, statute, regulation or ordinance, or any other restriction of any kind or character to which Seller is a party or by which Seller or the Property are bound.

8.1.6 No Condemnation or Other Proceedings. Seller is unaware of any contemplated condemnation of the Property or any portion thereof by any other public entity.

8.2 Buyer's Representations and Warranties. Buyer hereby makes the following representations, covenants and warranties and acknowledges that the execution of this Agreement by Seller has been made in material reliance by Seller on such covenants, representations and warranties:

- (1) Buyer has the legal right, power and authority to enter into this Agreement and the instruments and documents referenced herein and to consummate the transactions contemplated hereby. The persons executing this Agreement and the instruments referenced herein on behalf of Buyer hereby represent and warrant that such persons have the power, right and authority to bind Buyer.
- (2) Buyer has taken all requisite action and obtained all requisite consents in connection with entering into this Agreement and the instruments and documents referenced herein and the consummation of the transactions contemplated hereby, and no consent of any other party is required.
- (3) This Agreement is, and all agreements, instruments and documents to be executed by Buyer pursuant to this Agreement shall be, duly executed by and are or shall be valid and legally binding upon Buyer and enforceable in accordance with their respective terms.
- (4) Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby shall result in a breach of or constitute a default under any other agreement, document, instrument or other obligation to which Buyer is a party or by which Buyer may be bound, or under law, statute, ordinance, rule, governmental regulation or any writ, injunction, order or decree of any court or governmental body applicable to Buyer.

8.3 Survival of Representations and Warranties. The covenants, representations and warranties of Seller under this Agreement shall be true on and as of the Close of Escrow and shall survive the recordation of the Grant Deed and the Close of Escrow.

9. OTHER

9.1 Notices and Demands. All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by facsimile transmission with confirmation of receipt, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to

whom the notice is given at the addresses provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the third business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery, facsimile transmission or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given.

Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent.

To Buyer: City of Upland
 Attn: Robb Quincey
 City Manager
 Upland, CA 91786
 Facsimile: (909) 931-4300
 Telephone: (909) 931-4106

To Seller: San Bernardino County
 Transportation Authority
 Attn: Tony Grasso
 Executive Director
 1170 W. Third Street Second Floor
 San Bernardino, CA 92410
 Facsimile: (909) 885-4407
 Telephone: (909) 884-8276

To Escrow Holder: JM Escow
 Attn: Nancy Silberberg, Escrow Officer
 245 N. Euclid Avenue
 Upland, CA 91786
 Facsimile: (909) 981-0743
 Telephone: (909) 949-0893

9.2 Indemnification. Seller agrees to indemnify, defend (with counsel approved by Buyer) and hold harmless Buyer its officers, employees, agents, volunteers from any and all claims, actions or losses, damages, and/or liability (including, without limitation, attorneys' and experts' reasonable fees and costs) resulting from Seller's negligent acts or omissions which arise from Seller's performance of its obligations under this Agreement.

Buyer agrees to indemnify, defend (with counsel approved by Seller) and hold harmless Seller and its officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability (including, without limitation, attorneys' and experts' reasonable fees and costs) arising out of Buyer's acts or omissions which arise from Buyer's performance of its obligations under this Agreement, including such that arise as a result of Buyer's investigations and studies in the Property.

In the event, Seller and/or Buyer is found to be comparatively at fault for any claim action, loss or damage which results from their respective obligations under this Agreement, the Seller and/or Buyer shall indemnify the other to the extent of its comparative fault. This indemnity herein contained shall survive the Close of Escrow, and the recordation of the Grant Deed.

9.3 Possession; Risk of Loss to Property. Buyer shall be entitled to sole possession of the Property immediately upon Close of Escrow. All risk of loss or damage to the Property will pass from the Seller to the Buyer at the Close of Escrow. In the event that material loss or damage occurs to the Property prior to the Close of Escrow, either Party may terminate this Agreement as provided in Article 7.

9.4 Brokers and Sales Commissions. Seller and Buyer agree that either may employ a broker or finder in connection with the transaction contemplated hereby. In the event Seller or Buyer, respectively, employs a broker or finder, each Party shall bear, at its sole cost and expense, all fees and commissions, including, without limitation broker, management, finder or legal fees of said broker or finder employed by said Party.

10. MISCELLANEOUS

10.1 Survival of Covenants. The covenants, representations and warranties of both Buyer and Seller set forth in this Agreement shall survive the recordation of the Grant Deed and the Close of Escrow.

10.2 Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use their best efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

10.3 Time of Essence. Time is of the essence of each and every term, condition, obligation and provision hereof.

10.4 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

10.5 Captions. Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the Parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

10.6 No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties to, any person or entity other than the Parties.

10.7 Exhibits. The Exhibits attached hereto are hereby incorporated herein by this reference.

10.8 Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

10.9 Applicable Law. All questions with respect to this Agreement, and the rights and liabilities of the Parties and venue hereto, shall be governed by the laws of the State of California. Any and all legal actions sought to enforce the terms and provisions of the Agreement shall be brought in the courts of the County of San Bernardino.

10.10 Assignment. Neither Party shall have the right, to assign this Agreement, or any right or obligation herein, to any party without the prior consent of the other Party.

10.11 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties hereto.

10.12 Ratification. This Agreement is subject to the approval and ratification by both Party's governing bodies or their delegated representative.

10.13 Severability. If any term or provision of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

10.14 Construction. This Agreement will be liberally construed to effectuate the intention of the Parties with respect to the transaction described herein. In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, neither this Agreement nor any uncertainty or ambiguity herein will be construed or resolved against either Party (including the Party primarily responsible for drafting and preparation of this Agreement), under any rule of construction or otherwise, it being expressly understood and agreed that the Parties have participated equally or have had equal opportunity to participate in the drafting thereof.

10.15 Legal Fees and Other Expenses. Except as otherwise provided herein, each Party shall be responsible for payment of its own attorney's fees with respect to this Agreement and processing of the Escrow. If any legal action is instituted to enforce any Party's rights hereunder, each Party shall bear its own costs and attorneys' fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorneys' fees directly arising from a third-party legal action against a Party hereto and payable under Section 9.2 Indemnification.

10.16 Entire Agreement. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between Buyer and Seller as to the subject matter hereof. No subsequent agreement, representation, or promise made by either Party hereto, or by or to an employee, officer, agent or representative of either Party, shall be of any effect unless it is in writing and executed by the Party to be bound thereby.

10.17 Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the Parties hereto.

10.18 Nonliability of Officials and Employees. No officer, official or employee of either Party (or member unit of local government of either Party or any officer, official or employee of any of them) shall be personally liable to the other Party, or any successor in interest of such other Party, in the event of any default or breach or for any amount which may become due hereunder, or on any obligations under the terms of this Agreement, except for gross negligence or willful acts of such member, officer or employee.

10.19 Public Agencies. Buyer acknowledges that Seller is a "public entity" and/or a "public agency" as defined under applicable California law. Also, as a public body, Seller's action in approving this Agreement may be subject to proceedings to invalidate the Agreement. Buyer hereby assumes the risk of delays and damages that may result to Buyer from any such third-party legal actions related to Seller's approval of this Agreement, even in the event that an error, omission or abuse of discretion by Seller is determined to have occurred. If a third-party files a legal action regarding Seller's approval of this Agreement, Seller may terminate this Agreement on 20 days written notice to Buyer of Seller's intent to terminate this Agreement, without any further obligation to perform the terms of this Agreement or any liability to Buyer resulting from such termination unless Buyer offers to defend Seller against such third-party legal action as provide below. Within 30 days of receipt of Seller's notice of intent to terminate this Agreement as provided in the preceding sentence, Buyer may offer to defend Seller in the third-party legal action and pay all of the court costs, attorney fees, monetary awards, sanctions, attorney fee awards and the expenses of any and all financial or performance obligations that may result from the disposition of the legal action. Any such offer from Buyer must be in writing and in a form reasonably acceptable to Seller. Upon receipt thereof, Seller's right to terminate this Agreement under this subsection ceases.

Seller acknowledges that Buyer is a "public entity" and/or a "public agency" as defined under applicable California law. Also, as a public body, Buyer's action in approving this Agreement may be subject to proceedings to invalidate the Agreement. Seller hereby assumes the risk of delays and damages that may result to Seller from any such third-party legal actions related to Buyer's approval of this Agreement, even in the event that an error, omission or abuse of discretion by Buyer is determined to have occurred. If a third-party files a legal action regarding Buyer's approval of this Agreement, Buyer may terminate this Agreement on 20 days written notice to Seller of Buyer's intent to terminate this Agreement, without any further obligation to perform the terms of this Agreement or any liability to Seller resulting from such termination unless Seller offers to defend Buyer against such third-party legal action as provide below. Within 30 days of receipt of Buyer's notice of intent to terminate this Agreement as provided in the preceding sentence, Seller may offer to defend Buyer in the third-party legal action and pay all of the court costs, attorney fees, monetary awards, sanctions, attorney fee awards and the expenses of any and all financial or performance obligations that may result from the disposition of the legal action. Any such offer from Seller must be in writing and in a form reasonably acceptable to Buyer. Upon receipt thereof, Buyer's right to terminate this Agreement under this subsection ceases.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date(s) set forth below next to their respective signatures.

[Signatures on the following pages]

SIGNATURE PAGE TO
AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS

Date: _____

BUYER:

CITY OF UPLAND,
a public body, corporate and politic

By: _____

City Manager

SIGNATURE PAGE TO
AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS

Date: _____

SELLER:

SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY,
a county transportation authority existing under the
authority of §180000 et seq. of the California Public
Utilities Code

By: _____
Paul Biane
Its: President

APPROVED AS TO FORM:

Jean-Rene Basle
SANBAG Counsel

**EXHIBIT A TO
AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

Legal Description of Property

THAT PORTION OF THE EAST ONE-HALF OF THE SOUTHEAST QUARTER OF SECTION 10, RANGE 8 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT APPROVED BY THE SURVEROR GENERAL, IN THE CITY OF UPLAND, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND DESCRIBED AS:

THE NORTHERLY 40 FEET (NORTH HUNTINGTON DRIVE) OF THAT CERTAIN 150 FOOT OF LAND AS DESCRIBED IN THE DEED OF RECORDS RECORDED APRIL 19, 1991 IN BOOK _____, PAGE _____ OF DEEDS RECORDS OF SAN BERNARDINO.

SANBAG Acronym List

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AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CAC	Call Answering Center
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CALTRANS	California Department of Transportation
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CHP	California Highway Patrol
CMAQ	Congestion Mitigation and Air Quality
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CSAC	California State Association of Counties
CTA	California Transit Association
CTAA	Community Transportation Association of America
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DMO	Data Management Office
DOT	Department of Transportation
E&H	Elderly and Handicapped
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
EPA	United States Environmental Protection Agency
ETC	Employee Transportation Coordinator
FEIS	Final Environmental Impact Statement
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICMA	International City/County Management Association
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds
MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MIS	Major Investment Study
MOU	Memorandum of Understanding

SANBAG Acronym List

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MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
MTP	Metropolitan Transportation Plan
NAT	Needles Area Transit
OA	Obligation Authority
OCTA	Orange County Transportation Authority
OWP	Overall Work Program
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PPM	Planning, Programming and Monitoring Funds
PSR	Project Study Report
PTA	Public Transportation Account
PVEA	Petroleum Violation Escrow Account
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
ROD	Record of Decision
RTAC	Regional Transportation Agencies' Coalition
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SANBAG	San Bernardino Associated Governments
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SED	Socioeconomic Data
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
SRTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 st Century
TIA	Traffic Impact Analysis
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TOC	Traffic Operations Center
TOPRS	Transit Operator Performance Reporting System
TSM	Transportation Systems Management
USFWS	United States Fish and Wildlife Service
UZAs	Urbanized Areas
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents, San Bernardino Associated Governments (SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient, multi-modal transportation system
- Strengthen economic development efforts
- Exert leadership in creative problem solving

To successfully accomplish this mission, SANBAG will foster enhanced relationships among all of its stakeholders while adding to the value of local governments.

Approved June 2, 1993
Reaffirmed March 6, 1996